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B P S C L

BOKARO POWER SUPPLY COMPANY (P) LTD.
(A Joint Venture of SAIL & DVC)

ANNUAL ACCOUNTS

2017-18



CONTAINS

- *Balance Sheet**
- *Statement of Profit & Loss**
- *Statement of change in Equity**
- *Statement of Cash Flow**
- *Significant accounting Policy**
- *Balance Sheet and Statement of Profit & Loss schedule**
- * Other notes to Financial Statements**

(as per IND AS)

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NOTICE

NOTICE IS HEREBY GIVEN THAT the 17th Annual General Meeting of the Members of Bokaro Power Supply Company Private Limited will be held at 12.30 P.M. on 29th September, 2018 at Board Room of DVC, Hall No. 3, 3rd Floor, NBCC Tower, Bhikaji Cama Place, New Delhi – 110 066 to transact the following business.

ORDINARY BUSINESS :

1. To receive consider and adopt the audited Financial Statement of the company as at 31st March, 2018 comprising the Balance Sheet as at 31st March, 2018, the statement of Profit & Loss Account for the year ended 31st March, 2018 and corporate information and the schedule annexed there to, together with the Director's Report, and Auditor's Report and Reply to the Auditors Report and Comments of the Comptroller and Auditor General of India on the Financial Statement of the company as at 31st March, 2018.
2. To appoint a Director in place of Shri C B Dey (DIN.02063633) who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri S K Singh, (Din.07447572) who retires by rotation and is eligible for reappointment.
4. To fix the remuneration of the Auditors of the Company appointed by the Comptroller and Auditor General of India.
5. To declare dividend on the paid up capital of the Company.

SPECIAL BUSINESS

6. Appointment of Shri Bibhakar :

To appoint Shri Bibhakar, (DIN-08191211) as a Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution :-

"RESOLVED THAT Shri Bibhakar, (DIN-08191211) who has been nominated by SAIL in the BPSCL Board as per Articles of Association and subsequently appointed as an Additional Director [under section 161 of the Companies Act 2013] by the Board of the Company and who holds office up to the date of this

Annual General Meeting be and is hereby appointed as a Director of the Company."

7. Appointment of Shri Subodhanand Jha :-

To appoint Shri Subodhanand Jha, (DIN-08219387) as a Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution :-

"RESOLVED THAT Shri Subodhanand Jha, (DIN-08219387) who has been nominated by DVC in the BPSCL Board as per Articles of Association and subsequently appointed as an Additional Director [under section 161 of the Companies Act 2013] by the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."

By order of the Board

(N K Mukhopadhyay)
Company Secretary

New Delhi
Dated : 29th September, 2018
Ispat Bhawan, Lodi Road
New Delhi -110 003.

Note :

1. The relevant Explanatory statement pursuant of section 102(1) of the Companies Act, 2013 in respect of business item No. 6 to 7 above is annexed thereto.
2. The register of Members of the Company will remain closed from 15th September, 2018 to 3rd October 2018 (both days inclusive).

Annexure to the Notice : Explanatory Statement
pursuant to Section 102(1) of the Companies Act, 2013

- Item No. 1 on nomination by the Steel Authority of India Ltd. (SAIL) Shri Bibhakar, (DIN-08191211) was appointed as Additional Director of the Company with effect from 08/08/2018.

In terms of Section 161 (1) of the Companies Act, 2013 Shri Bibhakar, (DIN-08191211) would hold office up to the date of ensuing Annual General Meeting. Shri Bibhakar, (DIN-08191211) is a Member of Board Committee for CSR.

Shri Bibhakar, (DIN-08191211) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013. Save and except, Shri Bibhakar, (DIN-08191211) none of the other Directors. Key managerial personnel of the Company/their relatives are in any way concerned or interested financially or otherwise in the Resolution set out at Item No. 06 of the Notice.

The Board Consider it desirable that the Company should continue to avail of his services as a Director and recommends the Resolution for approval of the Shareholders.

- Item No. 2 on nomination by the Damodar Valley Corporation (DVC) Shri Subodhanand Jha, (DIN-08219387) was appointed as Additional Director of the Company with effect from 10/09/2018.

In terms of Section 161 (1) of the Companies Act, 2013 Shri Subodhanand Jha, (DIN-08219387) would hold office up to the date of ensuing Annual General Meeting.

Subodhanand Jha, (DIN-08219387) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013. Save and except, Subodhanand Jha, (DIN-08219387) none of the other Directors. Key managerial personnel of the Company/their relatives are in any way concerned or interested financially or otherwise in the Resolution set out at Item No. 07 of the Notice.

The Board Consider it desirable that the Company should continue to avail of his services as a Director and recommends the Resolution for approval of the Shareholders.

DIRECTORS' REPORT

To
The Members of Bokaro Power Supply Company Private Limited

Your Directors have pleasure in presenting to you the 17th Annual Report of Bokaro Power Supply Company (P) Limited together with the audited financial statements for the financial year 2017-18.

1. Financial Review

The Financial performance of the company during the year is summarized as follows:

Summarized financial results are given as under (₹. in Lakh)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from Operation (Net)	91198.33	87486.56
Other Income	1958.42	2585.17
Total Income	93156.75	90071.73
Expenses		
Cost of material consumed	67554.04	66539.48
Employee Benefit Expenses	4573.53	3253.01
Finance Cost	1703.27	1565.60
Depreciation & amortisation expenses	0.00	0.00
Generation/Administration & Other expenses	11052.58	10650.88
Total Expenses	84883.42	82008.97
Profit before Exceptional Items and Tax	8273.33	8062.76
Exceptional Items	0.00	0.00
Profit before Tax	8273.33	8062.76
Tax expenses		
Current Tax	1400.10	1448.00
Earlier Year Adjustment	117.69	0.00
MAT-Credit Entitlement	(1400.10)	(1448.00)
Deferred Tax	(152.35)	209.10
Profit for the period	8308.01	7853.66
Other Comprehensive		

Income Items that will not be reclassified to Profit or Loss Re-measurement of the net defined benefit liability/ asset (Actual Gain)	(111.15)	49.02
Total Other Comprehensive Income (Net of Tax)	(111.15)	49.02
Total Comprehensive Income for the period	8196.86	7902.68
Dividend paid	2480.50	2480.50

2. Dividend

The Board of Directors is pleased to recommend for distributing dividend @ 10 % of paid up capital.

3. Financial Arrangement

In accordance with the Power Purchase Agreement, BPSCL has arranged its working capital for day to day operation including procurement of coal, oil, stores, spares and tools & tackles through cash credit and short term loan from Banks. Internal accruals of the company are also being utilized to supplement the working capital requirement. Cash credit facility has been established with Canara Bank and State Bank of India and Short term loan has been taken from HDFC Bank. Surplus funds have been placed as short term deposit with Banks based on competitive bids.

4. Power Purchase Agreement

Signed by your Company with SAIL for fifteen years initially on 18.09.2001 has been partially amended on 18.01.2002, which has since been further amended on 22.02.2007 and on 30.03.2012 and on commencement of the commercial operation of Unit #9(Boiler 300 TPH & 36 MW BPTG) further amendment of the PPA has been made on 29th November 2016 which is valid up to 28th November 2031.

5. Power Plant Performance

The past performance for the previous years are given below

• Year	Steam Generation Average (T/Hr)	Power Generation	
		MU	MW
2002 - 03	1371.00	1377.44	157.30
2003 - 04	1378.20	1416.33	161.35
2004 - 05	1391.94	1358.18	154.94
2005 - 06	1471.26	1398.59	163.16
2006 - 07	1519.93	1536.29	175.32
2007 - 08	1449.58	1414.31	161.07
2008 - 09	1399.43	1414.65	161.59
2009 - 10	1364.46	1523.65	173.84
2010 - 11	1202.71	1165.28	133.30
2011 - 12	1087.13	1058.27	120.52
2012 - 13	1318.51	1450.59	165.82
2013 - 14	1303.85	1502.31	171.50
2014 - 15	1324.75	1512.56	172.67
2015 - 16	1355.80	1716.55	195.42
2016 - 17	1338.28	1697.39	194.58
2017 - 18	1189.07	1366.73	156.02
2018 - 19 (up to Aug'18)	1126.73	501.02	136.44

• Major Projects undertaken:

- Extension of BF gas line to Unit-9 to utilise LD gas to be made available from BSL
- Complete repair of Boiler-1
- Installation of Side-Stream Filter for TG 6,7,8 Turbines
- Replacement of 100 ata Steam lines.
- HRIS and Website management

6.1 Highlights of the Year 2017 - 18

1. Zero reportable accident in the plant by close monitoring.
2. In spite of severe coal crisis (since May'17), BPSCL could manage its Steam and Power generation to meet the basic captive requirement of BSL. Monthly highest generation during the F.Y. 2017-2018 achieved in April 2017 is 190.13 MW. Daily Highest Generation 216.48 MW ON 16th April 2017.
3. Successfully implemented IndAS accounting system in BPSCL in line with SAIL.
4. Training and development has been improved and augmented by arranging managerial training courses at MTI, Ranchi and technical programs at Power Management Institute- NTPC, Noida.

5. Ash management has always been a major challenge in BPSCL. Several new initiatives have been taken in the Ash management/disposal as follows:
- a) Fly ash disposal started by selling through MSTC for transportation of dry fly-ash in bags by rail.
 - b) Utilisation of ash (10 Lakh tonnes) from Ash pond in the filling of abandoned stone quarries instead of dumping on the mounds nearby.
 - c) Utilisation of Pond ash for road construction works of NHAI.
 - d) In-house manufacture of Fly-ash bricks commenced. About one lakh bricks already supplied at free of cost to BSL till date.
 - e) Supply of dry fly ash to M/s Dalmia Cement for manufacturing of cement.
- Laying of Water Sprinkling systems in and around CHP for dust suppression by using scrap tubes.
 - Brick making machine installed on 14.07.2016 and 16000 nos. bricks manufactured without engaging any additional manpower.
 - About 68,000 cum of Pond Ash was utilised for Chas-Ramnagar Highway construction.

7 **Capacity Additions Proposed:-**

7.1 Your company has initiated the following Solar Projects-

- 2 x 50 KWp Roof-top solar PV units installed on BPSCL plant buildings in July'2016. The cumulative generation from these units for the year 2016-17 is 63080 KWh.
- Installation of 39 nos. roof-top solar units on BSL buildings with a total capacity of 2.0MWp at a cost of about Rs. 8.7 Cr. is under progress and is scheduled to be completed in Dec'17.

7.2 **2 x 250 MW Thermal Power Stations at Bokaro Steel City.**

Your company initiated 2x250 MW Greenfield Thermal Power Plant Project in the year 2006-07 at an estimated cost of Rs. 3091 Crore. The cost of the Project to be financed 70% through Loan and 30% through Equity, which is to be equally contributed by the promoters SAIL and DVC. Most of the preliminary activities, such as Feasibility report, Detailed project Report, Environmental impact studies, Topographical survey and Geo Technical Investigations had been completed. However, due to fierce resistance from

villagers inhabiting the surrounding areas, the work of construction of Boundary Wall around the earmarked site could not be started and the project came to a standstill since 2009. The matter is continuously pursued with the District Administration.

At this juncture, as more than 10 years time has elapsed since promoters had approved this project, the company has sought the opinion of BPSCL promoter companies, SAIL & DVC, in respect of the continuation of this project in the present business scenario. Reply from the promoters still awaited.

8. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo.

Many Initiatives to conserve energy have been taken. Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rule 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure – I to this report.

9. Personnel

The total strength of employees of the company stood at 267 (Executives on Roll - 190 (including 01 on deputation from SAIL) and Non-Executives on Roll- 77) as on 1st April 2018.

10. Changes in the Board of Directors

- Shri Pramod Kumar, Director, BPSCL has resigned from the Board consequent upon his retirement from the services of DVC on superannuation w.e.f. 30/09/2017.
- Shri Ramaswami Krishnaswamy, has resigned from the Board w.e.f. 26/04/18 consequent upon his retirement from the services of SAIL on superannuation on 30/03/2018.
- Shri B N Sah, Additional Director, BPSCL has resigned from the Board w.e.f. 30/09/2018 consequent upon his transfer from the post of Principal Chief Engineer & I/c. (Fuel), DVC to Q C & I Section, DVC w.e.f. 27/06/2018.

The Board placed on record its deep appreciation for the valuable contribution made and guidance given by Shri Pramod Kumar, Director, Shri Ramaswami Krishnaswamy, Director and Shri B N Sah, Additional Director.

Appointments :-

- Shri B N Sah, Chief Engineer & I/c. (Fuel), DVC as an Additional Director of the Company w.e.f.01/10/2017.
- Shri Bibhakar (DIN. 08191211) has appointed as an Additional Director w.e.f. 08/08/2018.
- Shri Subodhanand Jha, (DIN-08219387) has appointed as an Additional Director w.e.f. 10/09/2018.

11. Directors' Responsibility Statement

In accordance with the provision of Section 134 (3) (c) of the Companies Act 2013 read with section 134(5) of the Company's Act 2013 your Directors' confirm that :

- In the preparation of the Annual Accounts (Financial Statements) for the Financial year ended 31st March 2018 the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- That the directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for the year under review.
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- That the directors had prepared the Financial Statements for the financial year ended 31st March 2018 on a going concern basis.
- The director had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. **No. of Board Meeting held during 2017-2018 :- 06**

During the Financial Year 2017 - 2018, 06 (Six) meetings of the Board of Directors of the Company was held; the details of which are given in the Annexure :-

Name of the Director	Category of Directorship	No. of Board Meetings attended during 2017-2018	Attendance at last AGM	No. of other Directorships held as on 31.03.2018*	No. of Board Committee (s) as Chairman/ Member as on 31.03.2018**
2. Shri Pulak Datta	Chairman	6/6	1	NIL	NIL
2. Shri Tej Veer Singh	Director	5/6	0	2	1/1
3. Shri R Krishnaswamy	Director	6/6	1	1	4/4
4. Shri S K Singh	Director	5/6	0	1	8/8
5. Shri Pramod Kumar	Director	3/3	1	1	2/2
5. Shri B N Sah	Additional Director	3/3	0	Nil	0
6. Shri C B Dey	Director	6/6	1	Nil	8/8

13. **Auditors**

M/s. L R Sarkar & Co., Chartered Accountants were appointed as the Statutory Auditors of your company for the financial year 2017-2018 by the Comptroller & Auditor General of India (C & AG). The Statutory Auditor's Report on the Financial Statements of the company for the year ended 31st March 2018 has been received by the company for circulating the same along with Financial Statement (Annual Accounts) for the year 2017-2018 and the same is enclosed as Annexure- II . The reply to the Qualification/observation of the Statutory Auditors is enclosed as Annexure - V.

14. **Review of Accounts by Comptroller and Auditor General of India**

The comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of the Company for the Year 2017-2018 are placed as Annexure-III.

15. Extracts of the Annual Return for the Year 2018:

The Extract of the Annual Return in the Form MGT – 9 as per the provisions of the Companies Act 2013 and Rules prescribed therein is placed Annexure – IV

16. Corporate Social Responsibility (CSR)

*As per the Report of Board Committee for CSR. Under CSR, Rs 133.43 Lakhs app.has been spent **during 2017-18.***

The major CSR activities include :

- Health Care (Medical Check-up in the peripheral villages by operating Mobile Medical Unit)- Rs.41.77 Lakh.
- Drinking Water- Rs.5.07 Lakh.
- Education – Rs.2.09 Lakh
- Sanitation Rs.27.43 Lakh
- Malnutrition –Rs.31.37 Lakh
- Environment sustainability- Rs.25.19 Lakh

17. Details of significant and Material Orders passed by the Regulatory, Court and Tribunal.

No significant and material order has been passed by the regulator court, tribunals impacting the going concern status and company operation in future.

18. Disclosure under sexual harassment of women at workplace (preventive & Redressal Act, 2013)

The company is committed to provide a safe and congenial working environment to its employees. During the year under review no case of harassment of women employee was reported.

19.. Acknowledgement

The Board of Directors acknowledge and wish to place on record their appreciation for the co-operation and support extended by DVC, SAIL and BPSCL employees. The directors would also like to thank statutory authorities,

employees and others who have extended their valued co-operation, support and guidance to the company, from time to time. The Board would also like to acknowledge with thanks the co-operation extended by C&AG, the Statutory Auditors and the Bankers of the Company.

for and on behalf of Board of Directors

(Pulak Datta)
Chairman

Date: 29th September 2018.
Place: New Delhi.

**PARTICULARS REQUIRED UNDER THE COMPANIES
(DISCLOSURE OF PARTICULARS IN THE REPORT OF
THE BOARD OF DIRECTORS)**

A) CONSERVATION OF ENERGY

Energy Conservation measures being taken, adopted and implemented in the company.

(a) Energy Conservation Measures taken: -

The list of the energy conservation measures adopted and under consideration are as follows:

A) CONSERVATION OF ENERGY

Energy Conservation measures being taken in the company.

(a) Energy Conservation Measures taken: -

The list of the energy conservation measures adopted and under consideration are as follows:

Energy Audit: As per recommendation given by Energy Audit and Energy Surveys for, Boiler and Auxiliaries, and Turbines and Auxiliaries carried out in May-16, extensive work was done in APH and ducting system in Boiler#4 and Boiler#7 during capital repair. This reduces air ingress and improve furnace draft and enhance boiler performance. As per energy audit recommendation , capital repair work was done in BFP #2, BFP #5, BFP #6A which improved pumping efficiency. Also condenser tube cleaning was done in TG #3, TG#6, TG#7, TG# 8 which improves the vacuum and reduces steam power ratio.

Heat Energy :

In FY 17-18, Nozzle segment, rotor seal, diaphragm seal and old turbine rotor were replaced and Deva plate was installed during Capital repair of TG #6. This

has resulted in reduction of specific steam consumption from 4.4 T/MW to 3.8 T/MW. All DC dust feeder were changed to AC VVVF system in the TPP boilers by May 2018. This has resulted in reduced maintenance and increased stability of TPP Boilers. Solar panels of 100 KWp were installed on rooftop of BPSCL building. Solar panels of 2 MW are being installed on rooftop of BSL buildings in which 366.66 KW solar panel completed at ADM Building and 154KW solar panel completed at Old OPD Building.

Lighting :

100 no. of 100W Tungsten bulb was changed with 40W LED bulb. 200no. of 70W HPSV was changed with 40 W LED. 100 no of 400W HPSV was changed with 120W LED Street light. 1000 no. of 36W/40W FTL was changed with 18 W LED light.

Total energy saving per day is 1254 KWH.

B) TECHNOLOGY ABSORPTION

Efforts are being made for absorption of latest technology in all areas of control system of plant.

C) FOREIGN EXCHANGE EARNINGS

NIL

D) FOREIGN EXCHANGE OUTGO

\$450 (Rs. 0.59 Lakh) Previous Year (\$ Nil-Rs, Nil)

for and on behalf of Board of Directors

Date: 29th September 2018.
Place: New Delhi.

(Pulak Datta)
Chairman

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

- CIN : U40300DL2001PTC110274.
- Registration Date : 07.08.2001.
- Name of the Company : Bokaro Power Supply Company Private Limited.
- Category/Sub-Category : Private Company/Limited by shares.
- Address of the Registered Office and contact details : Ispat Bhawan, Lodi Road, New Delhi – 110 003.
- Whether listed company : No.
- Name, Address and Contact details of Registrar and Transfer Agent, if any : None.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
	Steam	D353	45.96%
	Power	D351	54.04%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of share held	Applicable section
	Nil	Nil	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
A. Promoters									
(1) Indian									
g) Individual/ HUF	-								
h) Central Govt.	-								
i) State Govt. (s)	-								
j) Bodies Corp. DVC									
k) Banks/FI	12,40,25,000				12,40,25,000				
l) Any Other SAIL	12,40,25,000				12,40,25,000				
Sub-total (A) (1) :-									

(2) Foreign a) NRIs – Individuals b) Other Individuals c) Bodies Corp. d) Banks/FI e) Any Other Sub-total (A) (2) :- Total shareholding of Promoter (A) = (A) (1) + (A) (2)	NA									
B. Public Shareholding 1. Institutions a) Mutual Funds b) Banks/FI c) Central Govt(s) d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIIS h) Foreign Venture Capital Fund i) Other (specify) Sub-total (B) (1) :- 2. Non-Institutions a. Bodies Corp. i. Indian ii. Overseas b) Individuals i) Individuals shareholders holding nominal share capital upto	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Rs. 1 Lakh ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh. c) Other (specify) Sub-total (B) (2) :- Total Public Shareholding (B) = (b) (1) + (B) (2)									
C. Share held by Custodian for GD Rs.& ADRs	NA	NA						NA	NA
Grand Total (A+B+C)									

(ii) Shareholding of Promoters

Sl. No.	Share holder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to the total share	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to the total share	% change in share holding during the year
1.	SAIL	12,40,25,000	50%	NIL	12,40,25,000	50%	NIL	
2.	DVC	12,40,25,000	50%	NIL	12,40,25,000	50%	NIL	
	Total							

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

NO CHANGE

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.))				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the	NA	NA	NA	NA

	reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.))				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity (etc.))	NA	NA	NA	NA
	At the End of the year	NA	NA	NA	NA

v. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. (in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i) Principal Amount	9399.94	5000.00	-	14399.94
ii) Interest Due but not paid	-	-	-	-
iii) Interest accrued but not due	-	30.30	-	30.30
Total (i+ii+iii)	9399.94	5030.30	-	14430.24
Change in Indebtedness during the financial year				
• Addition	3856.95	-	-	3856.95
• Reduction	-	(5030.30)	-	(5030.30)
Net Change	3856.95	(5030.30)	-	(1173.35)
Indebtedness at the end of the Financial Year				
i) Principal Amount	13218.80	-	-	13218.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38.09	-	-	38.06
Total (i+ii+iii)	13256.89	-	-	13256.89

vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		NA	NA	NA	NA	
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act,	NA	NA	NA	NA	NA

	1961. b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.					
2.	Stock Option.	NA	NA	NA	NA	NA
3.	Sweat Equity					
4.	Commission - as % of profit others, specify.	NA	NA	NA	NA	NA
5.	Others, please specify	NA	NA	NA	NA	NA
	Total (A)					
	Ceiling as per the Act	NA	NA	NA	NA	NA

B. Remuneration to the Directors :

₹.

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors	NA	NA	NA	NA	NA
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 					
	Total (1)	NA	NA	NA	NA	NA
	3. Other Non-Executive Directors	NA	NA	NA	NA	NA
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission Others, please specify 					
	Total (2)	NA	NA	NA	NA	NA
	Total (B) = (1+2)	NA	NA	NA	NA	NA
	Total Managerial Remuneration					
	Overall ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹. In Lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Chief Executive Officer/ Chief Executive Officer In-charge/ Company Secretary		
		K Harinarayana Chief Executive Officer	Netai Kisore Mukhopadhyay Company Secretary	Total
	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.18	29.02	53.20
	b) Value of perquisites u/s 17(2) Income-tax 1961.	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2.	Stock Option	NA	NA	NA
3.	Sweet Equity	NA	NA	NA
4.	Commission - as % of profit others, specify.	NA	NA	NA
5.	Others, please specify Leave Salary Gratuity	0	4.02	4.02
	Total	24.18	33.04	57.22

VII. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES None

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Director					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

for and on behalf of Board of Directors

Date: 29th September, 2018
Place: New Delhi.

(Pulak Datta)
Chairman



INDEPENDENT AUDITORS REPORT

To The Members of Bokaro Power Supply Co. (P) Ltd.

Report on Ind AS Financial Statements

We have audited the accompanying financial statements of Bokaro Power Supply Co. (P) Ltd. ("The company"), which comprises the Balance Sheet as at 31st March 2018, the statement of Profit & Loss, (including other comprehensive income), the Statement of cash flows and the statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as "Ind AS financial statement").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our Audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Basis for qualified opinion

The company has undertaken construction of 2*250 MW project in the year 2006 and has booked capital work in progress to the tune of ₹ 1909.76 Lacs, including ₹ 1235 Lacs of BG invoked by CCL on 31st March, 2011, due to non-fulfilment of the condition stipulated in the LOA (Letter of Assurance) for supply of coal to the said project. The status of the said project seems to be stagnant for last few years due to various reasons and there seems to be remote possibility of future revival of the project; And, hence we suggest that company management must take appropriate measure to properly adjust the same.

In our opinion the impact of above qualification is overstatement of profit by ₹1909.76 Lacs and overstatement of Capital Work In Progress by ₹ 1909.76 Lacs.

Hence, both the overstatements (profit by ₹1909.76 lacs and capital work in progress by ₹1909.76 lacs) as opined in previous year's report, we give our opinion that the impact of both the overstatements should be properly adjusted in the accounts.

Qualified opinion

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis for Qualified Opinion above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India including IndAS, of the financial position of the company as at 31st March 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

- i) We draw attention to clause no. (1), (2), (3) & (4) of note no. 59(a) (Contingent Liability) of Other Notes on Accounts to the financial statements which describes the uncertainty related to the outcome of various pending legal cases filed against the company by various parties and also tax related appeal cases filed by the company and its financial impact in the financial statement of the company. The company has treated those demands as disputed and not acknowledged as debt in the books and treated the same as contingent liabilities.



- ii) The Company has some pending legal and arbitration cases as detailed in **ANNEXURE - "D"**. We are not in a position to quantify the financial impact of the said detailed cases. We do not modify our opinion in respect of these matters.

Others Matters

Balances under the head Sundry Creditors, Loan & Advances from and to various parties have not been confirmed in some cases.

The Service Tax amounting to Rs6.91lacs for the period 2012-13 & 2013-14 had been shown as disputed earlier on the basis of Summon from the Service Tax Department, against which Company represented before The Service Tax Authority and no further claim from Service Tax authority has been made.

However, there are few non-moving advances which remained unadjusted for a considerable time, as detailed in **Annexure-"E"**.

Report on other Legal and Regulatory

1. As required by the Companies (Auditor's Report) order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of sec 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the **Annexure- "A"** a statement on the matters Specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and the explanations given to us, in the **Annexure- "B"** of the Directions issued by Comptroller and Auditors General of India.
3. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss, the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.



- e) On the basis of written representation received from the directors as on 31st March,2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch,2018, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure-“C”** ; and
- g) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements- **Annexure-“D”** and our comments made in first paragraph of this report under **“Emphasis of Matter”**
 - ii) The company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii) According to the information and explanations given to us the company is not required to transfer any amount to the investor education and protection fund.

Date:09/08/2018

Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451



ANNEXURE- "A" to the Auditors Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co. (P) Ltd. on the financial statements for the year ended 31st March, 2018.

- (I) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were not physically verified during the year by the Management in accordance with a regular program of verification. We are not in a position to report any material discrepancies since no verification has been carried out during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title/lease deeds of all the immovable properties not held in the name of the company are as follows:-
- Land measuring 382 acres (approx) at Bokaro Jharkhand state is on 33 yrs lease from SAIL renewable at a non refundable of Re. 1 per annum. Title/ Lease deeds in respect of this land are pending for registration.
 - Land measuring 836 acres (approx.) was given to BPSCL as "right to use" for 2x250 MW project as per letter *ref no. DGMI/c (TA)/2013-203 dated on 10.01.2013.*
 - Land measuring 100 acres is given to BPSCL as "right to use" basis for 20MWp Solar Power plant (East of Surya Temple, Sector -4, Bokaro) as per letter *ref no. GM(TA)/2017/4268 dated 10.08.2017.*
- (II) As explained to us, the inventories were physically verified during the year through the Independent Agencies at reasonable intervals. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business. The company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (III) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the clause (iii) (a), (iii) (b) and (iii) (c) of the paragraph 3 of the order are not applicable to the company.
- (IV) The Company has not granted any loans or made any investment or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013.
- (V) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and provision of section 73 to 76 or any other relevant provision of the Companies Act and the rules framed there under.



Therefore, the provision of clause (v) of the paragraph 3 & 4 of the order are not applicable.

- (VI) Cost Audit is not applicable for the company due to its captive status. We have broadly reviewed the Accounts and records maintained by the company. However, we have not made a detailed examination of the records with a view to determining whether they are accurate and complete.
- (VII) (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales- tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.

(b) According to the records of the company and explanation given to us, there are disputed dues of Income Tax, Sales Tax/ Value added Tax, Service Tax and ESI which have not been deposited on account of matters pending before appropriate authorities. The details of the disputed dues as at 31st march, 2018 are mentioned hereunder:

<i>Name of the statute</i>	<i>Nature of the dispute dues with</i>	<i>Amount (in Lacs)</i>	<i>Period to which the Amount relates</i>	<i>Forum where disputes are pending</i>
The Income Tax Act, 1961	Income Tax	21.74	2012-13	CIT (A) Delhi
		129.96	2011-12	CIT (A) Delhi
		41.53	2010-11	ITAT Delhi
Sales Tax/VAT	VAT / Sales Tax	(429.25)#	2012-13	JCCT(APPEAL)
		(264.09) #	2010-11	JCCT(APPEAL)
		(325.85)#	2013-14	JCCT(APPEAL)
		88.51	2017-18	JCCT(APPEAL)
Service Tax	Service Tax	2.11	July'12 to sep'14	Commissionerate appeal
		4.07**	Oct'14 to Jun'17	**
ESI	ESI	61.03	2005-10	Dy. Director, ESI Jharkhand

Remand (Back to AO) order Passed by Appellate Authority.

**Sent to Service tax consultant for further action and prepare matter for Appeal before the Commissioner of Service Tax.

- (VIII) In our opinion according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution, banks. Company has no dues from Government or Debentures holders.



- (IX) According to the books and records of the Company and as per the information and explanation given to us no further public offer (including debt instrument) was made during the year. Term loans from bank , financial institution have been applied for the purpose for which they were obtained.
- (X) According to the information and explanation given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (XI) The company has no executive directors on its board.
- (XII) Provision of clause no. (xii) regarding Nidhi Company is not applicable to the Company.
- (XIII) The Company has complied with the provision of section 177 & 188 of the Companies Act 2013. where applicable and details of such transaction with the related parties have been disclosed in the Ind AS financial statement vide clause no. 57(B) of other notes to financial statement as required by the applicable accounting standard.
- (XIV) The Company has not made any preferential allotment or private allotment or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the company.
- (XV) The company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, paragraph 3 (xv) of the order is not applicable.
- (XVI) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Date: 09/08/2018
Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar
CA Ipshita Sarkar (Partner)
Mem. No.-063451



ANNEXURE-"B" to the Auditor's Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co (P) Ltd. On the financial statements for the year ended 31st March, 2018

DIRECTION OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) THE COMPANIES ACT, 2013

S.No	Directions	Reply	Impact on financial statement
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and lease hold land for which title/lease deeds are not available.	Land measuring 382 acres (approx) is on 33 years lease from SAIL at a renewable amount of Re. 1/- p.a. Lease deed still pending for registration. There is a "right to use" for 836 acres of land given to BPSCL for use in 2x250 MW project. The above land has some encroachments and the entire possession of the land has not been obtained by BPSCL. However, 100 acres of land has been given on lease by BSL for setting up of 20MWp Solar Power Plant as "right to use".	NIL
2.	where there are any cases of waiver/write off of any debts/loans/interest etc. if yes, the reasons there for and the amount involved.	According to the information and explanation given to us, there are no cases of waiver/ write off of debts/loans/ interest etc.	NIL
3.	Whether proper records are maintained for inventories lying with third parties and assets received as gifts/ grants(s) from government or other authorities.	Yes, proper records are maintained for inventories lying with Contractors/ third parties. No gift of assets was received from Government or other authorities during the year.	NIL

Date: 09/08/2018

Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshta Sarkar

CA Ipshta Sarkar (Partner)

Mem. No.-063451



ANNEXURE-"C" to the Auditor's Report

Annexure referred to in our report of even date to the members of Bokaro Power Supply Co (P) Ltd. on the financial statements for the year ended 31st March 2018

Report on the Internal Financial Controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Bokaro Power Supply Co. (p) Ltd.** ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's responsibility for internal financial controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of internal financial Controls over Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to companies policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial Information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the guidance note on audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the guidance notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effects on the financial statements.

Inherent Limitations of Internal Financial Controls over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal financial Controls over Financial Reporting issued by the Institute Of Chartered Accountants Of India.

Date: 09/08/2018
Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Basis for qualified opinion

The company has undertaken construction of 2*250 MW project in the year 2006 and has booked capital work in progress to the tune of ₹ 1909.76 Lacs, including ₹ 1235 Lacs of BG invoked by CCL on 31st March, 2011, due to non-fulfilment of the condition stipulated in the LOA (Letter of Assurance) for supply of coal to the said project. The status of the said project seems to be stagnant for last few years due to various reasons and there seems to be remote possibility of future revival of the project; And, hence we suggest that company management must take appropriate measure to properly adjust the same.

In our opinion the impact of above qualification is overstatement of profit by ₹1909.76 Lacs and overstatement of Capital Work In Progress by ₹ 1909.76 Lacs.

Hence, both the overstatements (profit by ₹1909.76 lacs and capital work in progress by ₹1909.76 lacs) as opined in previous year's report, we give our opinion that the impact of both the overstatements should be properly adjusted in the accounts.

Qualified opinion

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis for Qualified Opinion above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India including IndAS, of the financial position of the company as at 31st March 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

- i) We draw attention to clause no. (1), (2), (3) & (4) of note no. 59(a) (Contingent Liability) of Other Notes on Accounts to the financial statements which describes the uncertainty related to the outcome of various pending legal cases filed against the company by various parties and also tax related appeal cases filed by the company and its financial impact in the financial statement of the company. The company has treated those demands as disputed and not acknowledged as debt in the books and treated the same as contingent liabilities.
- ii) The Company has some pending legal and arbitration cases as detailed in ANNEXURE - "D". We are not in a position to quantify the financial impact of the said detailed cases. We do not modify our opinion in respect of these matters.



Balances under the head Sundry Creditors, Loan & Advances from and to various parties have not been confirmed in some cases.

The Service Tax amounting to Rs6.91lacs for the period 2012-13 & 2013-14 had been shown as disputed earlier on the basis of Summon from the Service Tax Department, against which Company represented before The Service Tax Authority and no further claim from Service Tax authority has been made.

However, there are few non-moving advances which remained unadjusted for a considerable time, as detailed in **Annexure-“E”**.

Report on other Legal and Regulatory

1. As required by the Companies (Auditor's Report) order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of sec 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the **Annexure- "A"** a statement on the matters Specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and the explanations given to us, in the **Annexure- "B"** of the Directions issued by Comptroller and Auditors General of India.
3. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss, the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
 - e) On the basis of written representation received from the directors as on 31st March,2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch,2018, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure-“C”** ; and



CHARTERED ACCOUNTANTS

g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

- i) The company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements- **Annexure-"D"** and our comments made in first paragraph of this report under "**Emphasis of Matter**"
- ii) The company did not have any material foreseeable losses on long term contracts including derivative contracts.
- iii) According to the information and explanations given to us the company is not required to transfer any amount to the investor education and protection fund.

Date:09/08/2018

Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar
CA Ipshita Sarkar (Partner)
Mem. No.-063451



ANNEXURE- "D" to the Auditor's Report

Details of On-Going Court Cases

Sl No	Case No.	By (Parties)	Petitioner	Brief Description of case	Court Before	Financial Implication	Dates
1.	C.M. No. 13716 of 2010 in W.P. (c) No.7359 of 2006	J.S. Arora Vs. D.V.C. & Others	Shri J.S.Arorra	Case filled by J.S.Arora ,ex-Director – HRD,DVC against termination of his employment at DVC as Director-HRD on completion of probation period and for not being posted as HOD P&A at BPSCL (the post offered to him after he was terminated from DVC	High Court ,Delhi		
2.	W.C. No. 04 of 2009 (old WC 17 of 2008)	Sachidanand Vs. BPSCL and Others	Shri Sachidanand Singh (F/o Santosh Kr. Singh)	Compensation sought following Fatal accident of Mr. Santosh Kr. Singh,(son of Mr. Sachidanand) allegedly in BPSCL premises	Hight Court	As per order, Rs.4,37,824/- paid by BPSCL as compensation before WC Commissioner . However, writ petition filed in HC Challenging the order	
3.	Ref. Case No. 2 of 2010	Jharkhand Krantikari Mazdoor Union Vs. Management of BPSCL.	JKMU (Gen. Secretary)	Demand to regularise contract labour engaged in various depts. of	Industrial Tribunal, Ranchi	Case pending Amount not yet Ascertained	18-05-2015, 24-06-2015, 27-07-2015



				BPSCL, alleging camouflage of work of perennial nature as contract work.			
4.	M.J. 4/2010 u/s 33 C(2) of I.D.Act.	Mukund Vs. BPSCL and others	Shri Mukund	Petitioner working as contract labour in P&C Deptt. Deployed by contractor-UPL, terminated as he was also involved in contract work (as Contractor) with BPSCL. Case filled by him seeking relief in terms of monetary benefit and reinstatement in job.	Labour Court, B.S. City	Case pending Amount not yet Ascertained	
5.	W.P. (s) no. 595 of 2010	Keshwari Devi Vs.GM,BPSCL(Settlement of Maintenance Allowence)	Mrs. Keshwari Devi	Pentioner Mrs. Keshwari Devi, W/o Mr. P.N Singh (BPSCL Employee) – Seeking grant of 50% retirement benefit as maintenance allowance	High Court, Ranchi	Case pending Amount not yet Ascertained	
6.	Ref. Case no. 41 of 2012	Jharkhand krantikariMezdoor union Vs. Management of BPSCL	JKMU(Gen. Secretary)	Demand for AWA payment to contract labour w.e.f 01.10.09 as per BSL (At BPSCL, AWA payment w.e.f 01.10.2011)	CGIT-cum-Labour court,Dhanbad	Rs. 4 Cr. (approx.) subject to court's order/decision.	
7.	M.J 02 of 2012	Kumar Vikram&Ors Vs CEO BPSCL	Kumar Vikram&Ors.	Demand for payment of arrears	Labour Court,B.S City	Case pending. Amount not ascertained	
8.	F.A Case no. 04 of 2013	Inspector of factories, Bokaro Vs. R. Bhargava	Inspector of Factories	Case u/s 92 & 96A of the	CJM Court,Bokar	Case pending.	



		(Occupier-cum-CEO) and S.K Mitra, Manager-cum-GM (PP)		Factories Act,1948	o	Amount not ascertained	
9.	F.A Case no. 07 of 2013	Inspector of factories, Bokaro Vs. R. Bhargava (Occupier-cum-CEO) and S.K Mitra, Manager-cum-GM (PP)	Inspector of Factories	Case u/s 92 of the Factories Act, 1948	CJM Court, Bokaro	Case pending. Amount not ascertained	
10.	F.A Case no. 06 of 2013	Inspector of factories, Bokaro Vs. R. Bhargava (Occupier-cum-CEO) and S.K Mitra, Manager-cum-GM (PP)	Inspector of Factories	Case u/s 92 of the Factories Act,1948	CJM Court, Bokaro	Case pending. Amount not ascertained	
11.	Misc. Case No. 01/2014(*arising out of/relating to Ref. Case No.02/2010)	Jharkhand krantikari Mezdoor union Vs. Management of BPSCL	JKMU (Gen. Secretary)	Application u/s 33A of the Industrial Dispute Act,1947	Industrial Tribunal ,Ranchi	Case pending. Amount not ascertained	
12.	Misc. Case No. 02/2014	Jharkhand krantikari Mezdoor union Vs. Management of BPSCL	JKMU (Gen. Secretary)	Application u/s 33A of the Industrial Dispute Act,1947	Industrial Tribunal ,Ranchi	Case pending. Amount not ascertained	
13.	WP (S) No.5611 OF 2013	FR RAWANI Vs. SAIL & OTHERS	FR RAWANI	For quashing his suspension order and making payment of entire salary & other benefits for the period 20.04.2011 to 01.03.2013	High Court, Ranchi	Case pending. Amount not ascertained	
14.	WP(S) No. 4934 to 4938 of 2015	RB TIWARY,AN PANDEY & OTHER THREE OFFICER	RB TIWARI, AN PANDEY & OTHER THREE OFFICERS	Have demanded payment of arrears on account of wage revision for non-executive for the period from 01.01.2012 to 30.03.2012	High Court, Ranchi	Case pending. Amount not ascertained	



15.	WP(C) No. 3357 of 2016	ALSTOM INDIA LIMITED Vs. BPSCL	ALSTOM INDIA LIMITED	BPSCL Has a claim against ALSTOM (now GEPIL) for Rs.23,21,87,106/ -and encashed BG of Rs 10.42 Crores against which ALSTOM has filed a writ petition.	High Court, Ranchi	Directed for conciliation proceeding which is under process.	
16	WP(L) No. 6187 of 2017	Jharkhand Krantikari Mazdoor Union Vs Management of BPSCL	BPSCL	Writ petition filed against the order passed by CGIT -cum- labour court, Dhanbad in Ref:Case 41/2012 (reg AWA payment to contract labour w.e.f. 01.01.2009 as per BSL)	High Court Branch	Case pending. Amount not ascertained	

Date: 09/08/2018

Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshta Sarkar

CA Ipshta Sarkar (Partner)
Mem. No.-063451



ANNEXURE- "E" to the Auditor's Report

Details of unadjusted non -moving Advances.

Sl No.	Description Party	Balance outstanding as on 31.03.2018 ₹	Remarks
1	MECON	3,24,494.00	More than 1 year
2	OTIS	4,13,800.00	More than 1 year
3	EC RLY	8,36,252.00	More than 1 year
4	HPCL (Cr. Bal)	40,95,369.66	More than 1 year

Date: 09/08/2018
Place: Kolkata



For L R Sarkar & Co
Chartered Accountants
(FRN-313030E)

Ipshita Sarkar

CA Ipshita Sarkar (Partner)
Mem. No.-063451

BALANCE SHEET AS AT 31ST MARCH 2018

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D P S C L

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	31.03.2018	31.03.2017
ASSETS			
Non-current assets			
a) Property, plant and equipment		-	-
b) Capital work in progress	28	3,694.61	3,154.87
c) Other Intangible assets		-	-
d) Financial assets			
i) Loans	29	352.04	357.95
ii) Lease Receivable	30	52,905.96	52,251.55
iii) Other Financial Assets	31	4,182.92	4,573.99
e) Other Non Current Assets	32	39.49	67.36
f) Deferred tax asset (net)		853.18	670.67
Total non current assets		62,028.20	61,076.39
Current assets			
a) Inventories	33	7,457.63	5,453.88
b) Financial assets			
i) Trade receivable	34	12,815.20	11,403.87
ii) Cash and cash equivalent	35	4,656.31	8,916.80
iii) Bank Balances Other than (ii) above:	36	3,761.83	-
iv) Loans	37	78.90	81.43
v) Lease Receivable	30	1,722.66	2,065.06
c) Other assets	38	7,909.53	5,617.34
d) Other Current assets	39	31,751.03	31,780.55
Total current assets		70,153.09	65,318.93
Total assets		1,32,181.29	1,26,395.32
EQUITY AND LIABILITIES			
Equity			
a) Share capital	40	24,805.00	24,805.00
b) Other equity		57,257.01	52,045.62
Total Equity		82,062.01	76,850.62
Non-current liabilities			
a) Financial liabilities			
i) Long-term borrowings		-	-
ii) Other non current financial liabilities	41	1,589.94	1,579.43
b) Provisions	42	28,099.35	25,818.94
c) Deferred tax liabilities		-	-
Total Non-current Liabilities		29,689.29	27,398.37
Current-liabilities			
a) Financial liabilities			
i) Short-term Borrowings	43	13,218.80	14,399.94
ii) Trade and other Payables	44	4,335.13	4,594.89
iii) Other current financial liabilities	45	759.60	674.12
b) Provisions	46	2,116.46	2,477.38
Total Current Liabilities		20,429.99	22,146.33
TOTAL-EQUITY AND LIABILITIES		1,32,181.29	1,26,395.32

Significant Accounting Policies

Balance Sheet & Statement of Profit and Loss Schedules


Other Notes to Financial Statements

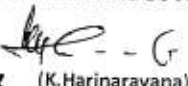
The above Financial Statement should be read in conjunction with accompanying NOTES

(1 to 27)

(28 to 52)

(53 to 78)


(N.K. Mukhopadhyay)
Company Secretary & HOD
Finance & Accounts


(K. Harinarayana)
Chief Executive Officer

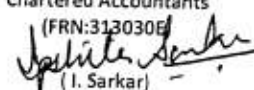

(C.B. Dey)
Director


(Tej Veer Singh)
Director


(P. Datta)
Chairman

Place : Kolkata
Date : 09.08.2018



As per our report of even date
For L R SARKAR & CO.
Chartered Accountants
(FRN:313030E)

(I. Sarkar)
Partner
Membership No.063451

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	2017-18	2016-17
Revenue from operation (net)	47	91,198.33	87,486.56
Other Income	48	1,958.42	2,585.17
Total Revenue		93,156.75	90,071.73
Expenses			
Cost of material consumed	49	67,554.04	66,539.48
Employee Benefit Expenses	50	4,573.53	3,253.01
Finance costs	51	1,703.27	1,565.60
Depreciation & amortisation expenses		-	-
Generation /Administration & other expenses	52	11,052.58	10,650.88
Total Expenses		84,883.42	82,008.97
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		8,273.33	8,062.76
Exceptional items			
PROFIT BEFORE TAX		8,273.33	8,062.76
Tax Expenses:			
Current Tax		1,400.10	1,448.00
Earlier Year adjustment		117.69	
MAT-Credit Entitlement		(1,400.10)	(1,448.00)
Deferred Tax		(152.35)	209.10
PROFIT FOR THE PERIOD		8,308.01	7,853.66
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset (Actuarial Gain)		(111.15)	49.02
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		(111.15)	49.02
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		8,196.86	7,902.68

EARNINGS PER EQUITY SHARE

Equity share of par value ₹ 10 each

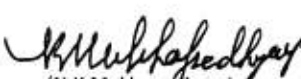
Basic (In ₹)	3.35	3.17
Diluted (In ₹)	3.35	3.17
No. Of shares used in computing earnings per share		
Basic	2480,50,000.00	2480,50,000.00
Diluted	2480,50,000.00	2480,50,000.00

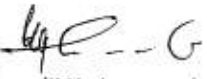
Significant Accounting Policies

Balance Sheet & Statement of Profit and Loss Schedules

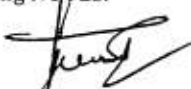
Other Notes to Financial Statements

The above Financial Statement should be read in conjunction with accompanying NOTES.


(N.K. Mukhopadhyay)
Company Secretary & HOD
Finance & Accounts


(K. Harinarayana)
Chief Executive Officer


(C.B. Dey)
Director


(Tej Veer Singh)
Director


(P. Datta)
Chairman

As per our report of even date

For L R SARKAR & CO.
Chartered Accountants

(FRN:313030E)


(I. Sarkar)

Partner

Membership No.063451



Place : Kolkata

Date : 09.08.2018

Statement of Changes in Equity for the year ended 31st March 2018

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B P S C I

A) Equity Share Capital

For the year ended 31st March 2018

(All amounts in INR Lakhs, unless otherwise stated)

Balance at the beginning of the reporting period i.e. 01.04.17	Changes in equity share capital during reporting period	Balance at the end of the reporting period 31.03.18
24,805.00	-	24,805.00

For the year ended 31st March 2017

(All amounts in INR Lakhs, unless otherwise stated)

Balance at the beginning of the reporting period i.e. 01.04.16	Changes in equity share capital during reporting period	Balance at the end of the reporting period 31.03.17
24,805.00	-	24,805.00

B) Other Equity

For the year ended 31st March 2018


(All amounts in INR Lakhs, unless otherwise stated)


Particulars	Reserves & Surplus		Other Comprehensive Income		Total equity attributable to equity holders of the Company
	Retained Earnings	General Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance as on 01.04.17	51,975.76	-	-	69.86	52,045.62
Profit for the period	8,308.01	-	-	(111.15)	8,196.86
Dividend paid for the year	(2,480.50)	-	-	-	(2,480.50)
Tax on dividend	(504.97)	-	-	-	(504.97)
Balance as on 31.03.18	57,298.30	-	-	(41.29)	57,257.01

For the year ended 31st March 2017


(All amounts in INR Lakhs, unless otherwise stated)


Particulars	Reserves & Surplus		Other Comprehensive Income		Total equity attributable to equity holders of the Company
	Retained Earnings	General Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance as on 01.04.16	46,585.11	-	-	20.84	46,605.95
Profit for the period	7,853.66	-	-	49.02	7,902.68
Dividend paid for the year	(2,046.41)	-	-	-	(2,046.41)
Tax on dividend	(416.60)	-	-	-	(416.60)
Balance as on 31.03.17	51,975.76	-	-	69.86	52,045.62


(N.K. Mukhopadhyay)
Company Secretary & HOD Finance & Accounts


(K. Harinarayana)
Chief Executive Officer


(C.B. Dey)
Director


(Veer Singh)
Director


(P. Datta)
Chairman

As per our report of even date

For L R SARKAR & CO.

Chartered Accountants

(FRN:313030E)

(I. Sarkar)

Partner

Membership No.063451

Place : Kolkata
Date : 09.08.2018



**भारतीय
B.P.S.C.L.**

BOKARO POWER SUPPLY COMPANY (P) LIMITED
Cash Flow Statement for the year ended March 31, 2018

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	2017-18	2016-17
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	8,273.33	8,062.76
Adjustments for :		
Depreciation and amortisation		
Finance Cost	1,703.27	1,565.60
Interest Income	(366.07)	(555.36)
Operating Profit before working capital changes	9,610.53	9,073.00
Changes in Working Capital		
Adjustments for (increase)/decrease in operating assets :		
Inventories	(2,003.75)	1,997.15
Trade receivables	(1,411.33)	(161.11)
Short-term loans and advances	2.53	(348.79)
Long-term loans and advances	33.79	(2,936.06)
Other current assets	(2,262.66)	7.48
Deferred tax assets	(182.51)	209.10
Adjustments for increase/(decrease) in operating liabilities :		
Trade payables	(249.26)	(886.81)
Other current liabilities	85.47	448.51
Deferred tax liabilities	0.00	0.00
Short-term provisions	(472.07)	(73.03)
Long-term provisions	2280.40	986.34
	<u>(4179.39)</u>	<u>(757.22)</u>
Cash generated from operations	5431.14	8315.80
Taxes paid	(34.67)	209.10
Net cash flow from / (used in) operating activities (A)	<u>5,465.81</u>	<u>8,106.70</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets		
Investment in Financial Assets	(312.00)	(2,549.86)
Advance against capital goods	(539.74)	(155.38)
Interest received		
Increase (-)/Decrease(+) in investment in term deposits with more than three months	366.07	555.36
	391.08	(3724.42)
Net cash flow from / (used in) investing activities (B)	<u>(94.59)</u>	<u>(5874.30)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of long term borrowings	0.00	0.00
Interest paid	(1703.27)	(1565.60)
dividend paid	(2480.50)	(2046.41)
dividend tax	(504.97)	(416.60)
Increase (+)/Decrease(-) in long term liabilities	0.00	(171.00)
Net cash flow from / (used in) financing activities (C)	<u>(4688.74)</u>	<u>(4199.61)</u>
Net increase/(decrease) in cash and cash equivalents(A+B+C)	<u>682.49</u>	<u>(1967.23)</u>
Cash and cash equivalents at the beginning of the year	(5483.14)	(3515.90)
Cash and cash equivalents at the end of the year	<u>(4800.65)</u>	<u>(5483.14)</u>
	<u>682.49</u>	<u>(1,967.23)</u>


1. The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (Ind AS) 7 Statement of Cash Flows.

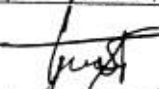
2. Reconciliation of cash and cash equivalents as per balance sheet

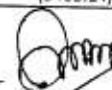
	(Rs. ₹in Lakh)	
	2017-18	2016-17
Cash and cash equivalents	4656.31	8916.80
Add: Bank Balances Other than (ii) above:	3761.83	0.00
Net cash & Cash equivalent	8418.15	8916.80
Less: Short term borrowings repayable on demand	(13218.80)	(14399.94)
Cash and cash equivalents as per cash flow statement	(4800.65)	(5483.14)


(N.K. Mukhopadhyay)
Company Secretary & HOD
Finance & Accounts


(K. Harinarayana)
Chief Executive Office


(C.B. Dey)
Director


(Tej Veer Singh)
Director


(P. Datta)
Chairman



As per our report of even date
For L R SARKAR & CO.
Chartered Accountants

(FRN:33030E)

(I. Sarkar)
Partner

Membership No.063451

Place : Kolkata
Date : 09.08.2018

A. Summary of significant accounting policies and other explanatory information to the financial statements for the Year ended 31st March 2018.

1. Reporting Entity. (Background)

Bokaro Power Supply Company Private Limited (BPSCL) CIN-U40300DL2001PTC112074 ("the Company") came into existence on 18.09.2001 under Companies Act 1956 as a part of SAIL Business Reconstruction and Restructuring Plan and with intent to strengthen its core business activity (i.e. steel manufacturing). SAIL has assigned its entire business as a going concern pertaining to the captive power plant of 302 MW Capacity with steam generation 1880 T/hr. of BSL by the Deed of transfer and Assignment of business. As per the Deeds of transfer and Assignment of business entered into with SAIL, the company has taken over the entire business and undertakings of SAIL's captive power plant(CPP) & Thermal power plant located at Bokaro for a total consideration of Rs. 560 crores w.e.f 18/09/2001 as compiled and agreed by both companies and parties. Company has further extended its capacity by capitalisation of Unit no 9 w.e.f. 02/09/2014 by 300 Tonne Steam and 36 MW power. The registered office of the Company is situated at Ispat Bhawan, Lodhi Road, New Delhi. 110 003.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements of the Company have been prepared on going concern basis following accrual basis of accounting in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the companies ACT 2013 (Companies (Indian Accounting Standards) Rules 2015) and subsequent amendments thereto. The Company has uniformly applied the accounting policies during the period presented.

The financial statements for the year ended 31st March 2018 have been approved by the Board of Directors on 08/08/2018.

2.2 Basis of Measurement

The financial statements are prepared under the historical cost except for the certain assets and liabilities which have been measured at fair value.

Historical cost is generally based on the value of consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakh unless otherwise stated.

2.4 Use of Estimates and Management Judgement.

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

Critical estimates and judgement by management are-

- a.) estimate of current tax expenses.
- b.) defined benefit obligation.
- c.) estimates of Fair value of contingent liabilities.
- d.) recognition of revenue
- e.) recognition of deferred tax.



3. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4. Property, Plant and Equipment

4.1 Initial Recognition and Measurement

An item of property, plant and equipment is recognized as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Land

Land held for use is initially recognized at cost. Land also includes land held under lease.

Other Tangible Assets

Property, plant and equipment other than land are initially recognised at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management including trial run expenses net of revenue. These assets are subsequently measured using the cost model, at cost less accumulated depreciation and impairment losses, if any.

Spares having useful life of more than one year are capitalised under the respective heads as and when available for use. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the Statement of Profit and loss on consumption.

Profit or loss arising on the disposal of property, plant and equipment are recognised in the statement of profit and loss.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

4.2 Subsequent Cost

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company. The carrying amount of the replaced part is derecognised.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit or loss.



4.3 Depreciation

Depreciation on tangible assets and investment property is provided on straight line method, considering residual value of 5% of the cost of the asset, over the useful lives of the assets, as specified in Schedule II of the Companies Act, 2013 except in case of Factory Buildings and Plant and Machinery and components thereof where useful life is determined by technical experts. The life assumed by the technical experts is as under:

Asset category	Estimated useful life (in years)
Factory Buildings	30
Plant and Machinery	20

For these classes of assets, based on technical evaluation carried out by technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortised depreciable amount is provided over the residual useful life of the asset. Depreciation on addition/deletion during the year is provided on pro-rata basis with reference to the month of addition/deletion. Assets costing up to Rs.5000/- are fully depreciated in the year in which they are available for use.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset whichever is lower.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

5. Capital work in progress

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.

Deposit works/ cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/ exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

6. Intangible assets

6.1 Recognition and measurement

Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and amortised over a period of five years or its licence period, whichever is less.

Research and development

Development expenditure is capitalized only if it can be measured reliably, the related asset and process are identifiable and controlled by the Company. Other development expenditure is recognized as revenue expenditure as and when incurred.

6.2 Subsequent Cost

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as and when incurred.



6.3 De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

7. Impairment of non-financial assets

The Company reviews the carrying amount of its fixed assets on each Balance Sheet date for the purpose of ascertaining impairment if any, by considering assets of entire one Plant as Cash Generating Unit (CGU). If any such indication exists, the assets recoverable amount is estimated, as higher of the Net Selling Price and the Value in Use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

8. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method. Other borrowing costs are expensed in the period in which they are incurred.

9. Inventories

Raw materials, Stores & Spares and scrap are valued at lower of cost and net realisable value of the items of the respective Plants/Units. In case of identified obsolete/ surplus/ non-moving items, necessary provision is made and charged to revenue.

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Stores & Spares - Moving weighted average cost

Materials in-transit - at cost

10. Government grants

Government grants are only recognized if it is sufficiently certain reasonably assured that the assistance grants will be granted received and the conditions attached to the assistance grants are satisfied. Where the Grant relates to an asset value, it is recognized as deferred income, and amortised over the expected useful life of the asset. Other grants are recognized in the statement of comprehensive income concurrent to the expenses to which such grants relate/ are intended to cover.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.



11. Foreign currency transactions

Foreign currency transactions are recorded into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement and re-measurement of monetary items denominated in foreign currency are recognised in the Statement of Profit and Loss at period-end exchange rates at each balance sheet date with the exception that exchange differences (including arising out of forward exchange contracts) relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

12. Employee benefits

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions. Contributions towards Provident Funds are charged to the Statement of Profit or Loss of the period when the contributions to the Funds are due.

Defined benefit plan

The defined benefit plans are the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

The provisions/ liabilities towards gratuity, accrued leave, long term service awards and retirement gifts, post-retirement medical and settlement benefits are made annually through valuations by an independent actuary using the projected unit credit method. Actuarial gains and losses are included in statement of profit or loss or other comprehensive income of the year.

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonus, ex-gratia, short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Company.

13. Revenue recognition

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement, and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of consideration received or receivable. Amount disclosed in revenue are net of sales return, trade allowances, rebates, GST and VAT's.

Revenue from sale of energy

Revenue from sale of energy is based on Power Purchase Agreement with SAIL. Customer are billed on a periodic and regular basis.



Income from financial assets

Income from financial assets is recognized based on the internal rate of return to provide a constant periodic rate of return on the net investment outstanding over the period of the contract or as per the terms of the contract.

Interest income

Interest income is recognized, when no significant uncertainty as to measure or collectability exists, on time proportion basis taking into account the amount outstanding and applicable interest rate, using the effective interest rate method (EIR) based on materiality.

Other Income

Scrap is accounted for as and when sold.

Income from Finance Lease

Revenue arises from the supply of power and stream as per power and stream purchase agreement entered into with SAIL. It is measured at value of consideration received or receivable, excluding electricity duty. Gross consideration received or receivable is apportioned into lease receivable and other actual cost reimbursable. Lease receivable is further apportioned into interest component and principal component based on the internal rate of return to provide a constant periodic rate of return on the net investment outstanding over the period of the contract or as per the terms of the contract. Interest component has been transferred to statement of profit and loss and principal component is transferred to net investment in lease (deduction from net investment in lease).

14. Claims for liquidated damages and price escalation

Claims for liquidated damages are accounted for as and when these are considered recoverable by the Company. These are adjusted to the capital cost or recognised in Statement of Profit and Loss, as the case may be.

Suppliers' and Contractors' claims for price escalation are accounted for to the extent such claims are accepted by the Company.

15. Leased assets

Company as a lessee

Finance leases

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.



Company as a lessor

Finance leases

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

Operating leases

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

16. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation.

17. Provisions, Contingent Liabilities and Contingent Assets

Provisions and contingent liabilities

A Provision is recognised when the Company has present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are discounted to their present value, where the time value of money is material.

When some or all of the economic benefits required to settle, a provision is expected to be recovered from a third party, the receivable is recognised as a separate asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

In cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no Provision is recognised or disclosure is made.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

18. Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.



Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.

19. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

20. Equity and Reserves

Share Capital represents the nominal value of shares that have been issued. Share premium includes any premiums received on issue of Share Capital. Any transaction costs associated with the issuing of shares are deducted from share premium account, net of any related income tax benefits.

Other components of equity include the following:

- Re-measurement of defined benefit liability comprises the actuarial gain or loss from changes in demographic and financial assumptions.
- Other transactions recorded directly in Other Comprehensive Income.
- Retained earnings include all current and prior period retained profits.

21. Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.



Amortised cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are designated to this category.

FVOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognized in statement of profit or loss.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss. All derivative financial instruments are accounted for at FVTPL.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Trade receivables

The Company applies approach permitted by Indian Accounting Standards (Ind AS) 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition.



22. Significant judgements in applying accounting policies

22.1 Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

22.2 Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

23. Dividends

Dividends payable to a company shareholders are recognised as changes in equity in the period in which they are approved by the shareholders meeting and the Board of Directors respectively.

24. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities & equity for the earliest prior period presented, are restated.

25. Cash Flow Statement

The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (Ind AS) 7 Statement of Cash Flows.

26. Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.



27. Estimates and underlying assumptions

Estimates and assumptions that have significant effect on recognition and measurement of assets, liabilities, income and expenses are as detailed below. Actual results may be substantially different.

27.1 Useful life of Property, Plant and Equipment

The Company reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain plant and equipment.

27.2 Inventories

The Company estimates the cost of inventories taking into account the most reliable evidence, such as cost of materials and overheads considered attributable to the production of such inventories including actual cost of production, etc. Management also estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

27.3 Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

27.4 Fair value measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

27.5 Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

27.6 Leases not In legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria under Appendix C to IndAS 17.



27.7 Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers.

This standard is not applicable to the company as provided in the exclusion provided in the scope of the Standard as the company has only one customer and revenue is covered under Finance Lease as per Ind AS 17 - Leases.



B. Balance Sheet Schedule:
28 Capital work in progress

Particulars	₹ in Lakh	
	March 31,2018	March 31,2017
CAPITAL WORK IN PROGRESS 9TH BLR.	1,113.38	1,093.54
CAPITAL WORK IN PROGRESS 2X250*	1,909.76	1,909.76
CAPITAL WORK IN PROGRESS -OTHERS	580.26	149.79
CAPITAL WORK IN PROGRESS -SOLAR POWER	91.21	1.78
TOTAL	3,694.61	3,154.87

*Capital Work in Progress includes Rs. 1235 Lakh of BG invoked for 2x250 MW project in 2010-11.

29 Loans

Particulars	₹ in Lakh	
	March 31,2018	March 31,2017
Loan and Advances to employees		
Secured	331.36	343.21
Unsecured , considered Good	20.68	14.74
TOTAL	352.04	357.95

Employee loans are secured against house property and Vehicles.

Loans given to employees are measured at amortised cost. The deferred prepaid expenditure represents the difference between amortised value of the loan and the actual loan amount. The same will be amortised on a straight line basis over the remaining period of the loan.

Due from Directors and Officers of the Company :

Directors ₹ Nil (31st March 2017 : ₹ Nil)

Officers ₹ 1.00 lakhs (31st March 2017 : ₹ 4.00 lakhs)

30 Lease Receivable

Particulars	₹ in Lakh	
	March 31,2018	March 31,2017
Non- Current Investment in Lease		
Non-current Lease Receivables	55,713.60	51,646.11
Unearned Finance Income	(2,807.64)	605.44
	52,905.96	52,251.55
Current Investment in Lease		
Current Lease Receivables	1,722.67	2,065.06
	1,722.67	2,065.06
TOTAL	54,628.63	54,316.61

Keeping In view the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a Lease, the company has ascertained that the PPA entered with the beneficiary falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, Interest on loan & return on equity & Incentive(pre-tax) components from the beneficiary are adjusted against FLR. The Interest component of the FLR in respect of the above three elements are recognised as 'Interest Income on Assets under finance lease' under Note-36- 'Revenue from operations'.

31 Other Financial Assets

Particulars	₹ in Lakh	
	March 31,2018	March 31,2017
Balances with banks on Deposits accounts (Maturity more than one years)	4,182.92	4,573.99
TOTAL	4,182.92	4,573.99

Balances with banks held as margin money deposits against guarantees 870.75 777.61

32 Other Non Current Assets

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Prepaid Expenses	39.18	67.05
Financial Assets	0.31	0.31
TOTAL	39.49	67.36

33 INVENTORIES

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Raw Materials:		
Coal	2,727.62	1,143.58
Coal In Transit	670.11	692.33
Furnace Oil	865.68	384.23
	4,263.41	2,220.14
Stores & Spares :		
Stores & spares (Imported)	820.47	806.30
Stores & Spares	2,146.87	2,156.43
Stores & spares -Transit	117.70	122.18
Stock at site	109.18	148.83
	3,194.22	3,233.74
TOTAL	7,457.63	5,453.88

Inventory Items have been valued as per accounting policy No 9 given at "Significant Accounting Policies"
The carrying amount of inventories pledged as security for Working Capital Loans

34 Trade Receivables

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Receivables outstanding for a period exceeding six months (Unsecured , considered good)	3,522.88	2,645.69
Receivables outstanding for a period less than Six Months (Unsecured , considered good)	9,292.32	8,758.18
TOTAL	12,815.20	11,403.87

35 Cash and Cash Equivalent:

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
CASH AND CASH EQUIVALENTS:		
Balances with banks:		
On Current Accounts	4,656.23	8,916.72
On Deposit Accounts (Maturity less than 3 months)	-	-
Cash on hand (IMPREST ACCOUNT)	0.08	0.08
TOTAL	4,656.31	8,916.80

36 BANK BALANCES OTHER THAN ABOVE:

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Balances with banks on Deposits accounts (Maturity more than 3 months but less than one	3,761.83	-
TOTAL	3,761.83	-

Balances with banks held as margin money deposits against guarantee: -



37 Loans

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Loans and advances to employees*		
Secured	56.43	59.86
Unsecured , considered Good	22.47	21.57
	78.90	81.43
TOTAL	78.90	81.43

*Employee loans are secured against house property and Vehicles.

* Loans given to employees are measured at amortised cost. The deferred prepaid expenditure represents the difference between amortised value of the loan and the actual loan amount. The same will be amortised on a straight line basis over the remaining period of the loan.

Due from Directors and Officers of the Company :

Directors ₹ Nil (31st March 2017 : ₹ Nil)

Officers ₹ 1.00 lakhs (31st March 2017 : ₹ 4.00 lakhs)

38 Other Assets

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Interest Accrued but not due on Fixed Deposit	186.95	281.02
Interest Accrued but not due on CLTD	-	25.08
Financial Assets	0.40	0.43
Prepaid Expenses	251.51	239.22
Advance to contractors	0.08	5.97
Advances to suppliers	7,470.59	5,065.62
	7,909.53	5,617.34
TOTAL	7,909.53	5,617.34

39 Other Current Assets

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Security Deposits-Unsecured	36.55	36.55
Advance to BPSCL ESBF Trust	-	0.10
Advance Fringe Benefit Tax	43.28	43.28
MAT-Credit Entitlement	5,574.77	4,174.67
Balances with Govt. Authorities :		
Advance Income Tax	24,782.52	23,264.74
TDS on interest on Investment	642.75	605.42
Vat/GST credit receivable	650.79	2,266.44
Custom Duty & Service Tax	-	5.79
Advance Sales Tax/GST	20.37	800.00
Claims recoverable from IT Deptt.	-	583.56
	31,751.03	31,780.55
TOTAL	31,751.03	31,780.55

40 SHARE CAPITAL

Particulars	March 31,2018		March 31,2017	
	Number of sh	₹ in Lacs	Number of sha	₹ in Lacs
Authorised				
Equity Shares of Rs. 10 each	12000,00,000	1,20,000.00	12000,00,000	1,20,000.00
Issued, subscribed and fully paid up				
Equity Shares of Rs. 10 each fully paid up	2480,50,000	24,805.00	2480,50,000	24,805.00
Total	2480,50,000	24,805.00	2480,50,000	24,805.00

24,80,50,000 equity shares of ₹10 each were allotted as fully paid up for consideration other than cash.

Reconciliation of Number of equity shares



Particulars	March 31,2018		March 31,2017	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
At the beginning of the year	2480,50,000	24,805.00	2480,50,000	24,805.00
At the end of the year	2480,50,000	24,805.00	2480,50,000	24,805.00

Details of shares held by shareholders holding more than 5% of the aggregate shares of the company

Name of shareholder	March 31,2018		March 31,2017	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
Steel Authority of India Limited	1240,25,000	50%	1240,25,000	50%
Damodar Valley Corporation	1240,25,000	50%	1240,25,000	50%
Total	2480,50,000	100%	2480,50,000	100%

41 Other non current financial liabilities

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
TRADE PAYABLES:		
Security Deposits	490.40	449.63
Gratuity & Provident fund of deceased employees	30.90	17.01
Other EPBS Liability	13.13	57.28
Contractors Account -ESI	1.37	1.37
BG Encashment	1,042.17	1,042.17
Payable to contractors	11.97	11.97
TOTAL	1,589.94	1,579.43

42 PROVISIONS

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Provisions for employee benefits	3,754.31	2,893.56
Provisions for others	24,345.04	22,925.39
TOTAL	28,099.35	25,818.95

43 SHORT -TERM BORROWINGS

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Secured :		
Loans repayable on demand from banks		
Cash Credit with Canara (Secured against hypothecation of Stocks and book debts.)	1,950.81	6,186.78
Cash Credit with SBI (Secured against hypothecation of Stocks and book debts.)	3,267.99	3,213.16
Other Short Term borrowings from bank	8,000.00	5,000.00
TOTAL	13,218.80	14,399.94

There has been no default in repayment of any of the loans or Interest thereon as at the end of the year/period.

44 TRADE AND OTHER PAYABLES

Particulars	(₹ in Lakh)	
	March 31,2018	March 31,2017
Payable to contractors & suppliers	3,563.87	4,055.99
Security Deposit	245.20	192.70
Payable to others	186.03	166.24
Accrued Salary	340.03	179.96
TOTAL	4,335.13	4,594.89



45 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	March 31,2018	March 31,2017
Interest accrued but not due on borrowings	38.09	30.30
Statutory deduction including withholding Tax	152.19	223.77
Other deductions	569.32	420.05
TOTAL	759.60	674.12

46 PROVISIONS

(₹ in Lakh)

Particulars	March 31,2018	March 31,2017
Provisions for Employee Benefits		
LTSA & RG	0.48	1.03
Gratuity	110.69	171.94
Leave Salary	48.16	132.89
PRMB	28.86	25.44
Settlement cost	1.43	2.53
	189.62	333.83
Provision for Income tax	1,118.59	1,448.00
Provision for others	808.25	695.55
	1,926.84	2,143.55
TOTAL	2,116.46	2,477.38



B. Statement of Profit & Loss Schedule

47 Revenue from Operation				(₹ in Lakh)	
Particulars		2017-18		2016-17	
Energy sales (including electricity duty)		87,583.79		86,539.15	
less: Electricity Duty		534.15		671.10	
Interest on lease Rental		4,148.69		1,618.51	
TOTAL		91,198.33		87,486.56	
<p>Keeping In view the provisions of Appendix C to Ind AS-17 on 'Leases w.r.t determining whether an arrangement contains a lease, the company has ascertained that the PPA entered into with SAIL/BSL falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, Interest on loan & return on equity & Incentive(pre-tax) components from the beneficiary are adjusted against FLR. The interest component of the FLR in respect of the above three elements is recognised as 'Interest Income on Assets under finance lease'.</p> <p>Moreover ratio used during 2017-18 for segregation between fixed & variable portion of Return of Equity is 50% as compared to 2016-17 which was 20%. This has resulted in increase in Interest on Lease Rental Income by ₹ 2297.01 Lakhs and decrease in Energy Sales by ₹ 1577.66 Lakhs</p>					
48 Other Income				(₹ in Lakh)	
Particulars		2017-18		2016-17	
Interest from employees		65.84		42.90	
Interest on Normative working capital		1523.42		1963.05	
Misc. Income		3.09		23.86	
Interest from Banks		366.07		555.36	
		1958.42		2585.17	
TOTAL		1958.42		2585.17	
49 Cost of material consumed				(₹ in Lakh)	
Particulars		2017-18		2016-17	
Coal		64898.01		64813.02	
Furnace Oil		2656.03		1726.46	
		67554.04		66539.48	
TOTAL		67554.04		66539.48	
50 Employee Benefit Expenses				(₹ in Lakh)	
Particulars		2017-18		2016-17	
Salaries & wages		2915.23		2105.26	
Contribution to provident and other funds		794.57		380.09	
Staff Welfare Expenses		863.73		767.66	
		4573.53		3253.01	
TOTAL		4573.53		3253.01	
51 Finance Cost				(₹ in Lakh)	
Particulars		2017-18		2016-17	
On short Term Working Capital Loan		38.09		15.09	
On Short Term Loan-HDFC BANK		342.95		436.24	
On working Capital Loan-CC A/C		1313.98		1107.41	
Other finance Expenses		8.25		6.86	
		1703.27		1565.60	
TOTAL		1703.27		1565.60	
52 Generation/Administration & other expenses				(₹ in Lakh)	
Particulars		2017-18		2016-17	
Generation Expenses					
Repair & Maintenance		4757.17		4345.69	
Stores & Spares Consumption		2772.71		2475.99	
Water charges		1999.36		1763.92	
Ash Pond charges		394.85		953.92	
		9924.09		9539.52	
Administrative Expenses		563.76		513.74	
Other Expenses					
Insurance		215.68		163.87	
Corporate social responsibility		133.44		100.97	
Rates & Taxes		42.92		19.22	
Prior Period Adjustment		0.00		0.00	
Provision for stock non-moving		0.00		3.76	
Miscellaneous Expenses		172.69		309.80	
		564.73		597.62	
		11052.58		10650.88	
TOTAL		11052.58		10650.88	

53 Disclosure as per IND AS 107 on "FINANCIAL INSTRUMENTS"

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

(a) Financial instruments by category

₹ in Lakhs

Particulars	31.03.2018			31.03.2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	12,815.20	-	-	11,403.87
Loans(non-current & current)	-	-	430.93	-	-	439.38
Cash and cash equivalent	-	-	4,656.31	-	-	8,916.80
Bank Balances Other than above:			3,761.83			-
Bank deposit(non-current)	-	-	4,182.92	-	-	4,573.99
Finance lease receivables	-	-	54,628.63	-	-	54,316.61
Other financial assets	-	-	4,182.92	-	-	4,573.99
Total	-	-	84,658.74	-	-	84,224.65
Financial liabilities						
Short term borrowings	-	-	13,218.80	-	-	14,399.94
Trade and other payables	-	-	4,335.13	-	-	4,594.89
Other financial liabilities(non-current)	-	-	1,589.94	-	-	1,579.43
Other financial liabilities(current)	-	-	759.60	-	-	674.12
Total	-	-	19,903.46	-	-	21,248.39



(b) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value of financial instruments measured at amortised cost for which fair value is being disclosed, the company has classified these into the three levels prescribed under Ind AS 113, 'Fair value measurement'. An explanation of each level follows underneath the table.

₹ in Lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2018	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets:				
Trade receivables	12,815.20			12,815.20
Loans(non-current & current)	430.93		402.39	
Cash and cash equivalent	4,656.31		4,656.31	
Bank Balances Other than above:	3,761.83		3,761.83	
Bank deposit(non-current)	4,182.92		4,182.92	
Finance lease receivables	54,628.63			54,628.63
Other financial assets	4,182.92			4,182.92
Total	84,658.74	-	13,003.45	71,626.74
Financial liabilities:				
Short term borrowings	13,218.80		13,218.80	
Trade and other payables	4,335.13			4,335.13
Other financial liabilities(non-current)	1,589.94		1,042.17	547.76
Other financial liabilities(current)	759.60		38.09	721.50
Total	19,903.46	-	14,299.06	5,056.63

₹ in Lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2017	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets:				
Trade receivables	11,403.87			11,403.87
Loans(non-current)	439.38			
Cash and cash equivalent	8,916.80		8,916.80	
Bank Balances Other than above:	-		-	
Bank deposit(non-current)	4,573.99		4,573.99	
Finance lease receivables	54,316.61			54,316.61
Other financial assets	4,573.99			4,573.99
Total	84,224.65	-	13,490.79	70,294.47
Financial liabilities:				
Short term borrowings	14,399.94		14,399.94	
Trade and other payables	4,594.89			4,594.89
Other financial	1,579.43			1,579.43
Other financial liabilities(current)	674.12			674.12
Total	21,248.39	-	14,399.94	6,848.45



Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Valuation technique used to determine

- Fair value of finance lease receivables is determined by periodically evaluating credit worthiness of customer and providing allowance for estimated losses based on this evaluation.

- Fair value of the remaining financial instruments is determined using discounted cash flow analysis.

i) The carrying amounts of short term trade receivables, trade payables, capital creditors and cash and cash equivalents and borrowings are considered to be the same as their fair values, due to their short-term nature. Also, carrying amount of claims recoverable approximates its fair value as these are recoverable immediately.

ii) The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.

iii) The fair values for employee loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

iv) The fair values of borrowings, non-current trade payables and capital creditors are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.



54 Financial Risk

The company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short term deposits that derive directly from its operations.

The company is exposed to the following risks from its use of financial instruments

- a) Market risk
 - i) Interest rate risk
 - ii) Foreign currency risk
- b) Credit risk
- c) Liquidity risk

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Board of Directors. The Company has taken adequate measures to address such concerns by developing adequate system and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

Risk	Exposure arising from	Measurement	Management
(a) Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
(b) Liquidity risk	Borrowings and other liabilities	Monitoring Receipt & Payment	Keeping Two Month Working Capital
(c) Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The Company manages market risk through a finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The company is not exposed to significant interest rate risk as at the respective reporting dates.

Particulars	₹ in Lakhs	
	31.03.2018	31.03.2017
Fixed Rate Borrowings		
Fixed Rate Rupee term loans	-	-
Total	-	-
Variable-rate Borrowings		
Term loans & Cash Credit	13,218.80	14,399.94
Total	13,218.80	14,399.94



i) Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Cash flow sensitivity analysis for variable-rate instruments

A change of 100 basis points (BP) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant. The analysis is performed on the same basis for the previous year.

	₹ in Lakhs	
	Profit or loss	
	100 bp increase	100 bp decrease
31 March 2018		
Rupee term loans	(132.19)	132.19
Total	(132.19)	132.19
31 March 2017		
Rupee term loans	(144.00)	144.00
Total	(144.00)	144.00

Foreign currency risk

The Company operates only in India. However the company purchases few items from overseas suppliers against letter of credit. The liability arises on the date of issue of letter of credit varies subject to change in foreign exchange rate on the date of payment. The exposure of foreign exchange risk is very minimal.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as :

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 5 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

However the company has single debtor/lessee i.e. Bokaro steel Limited, a group company of Steel Authority of India Limited.



Trade receivables

The Company sells steam & electricity to SAIL. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 5 years past due.

Loans & advances

The company has given loans & advances to employees. The company manages its credit risk in respect of Loan and advances to employee through hypothecation of assets and settlement of dues against full & final payment to employees.

Cash and cash equivalents

The Company held cash and cash equivalents of Rs 4656.31 Lakhs as on 31.03.2018 & Rs 8916.80 Lakhs as on 31.03.2017. The cash and cash equivalents are held with high rated Banks.

Deposits with banks and financial institutions and short term investments

The company held deposits with banks and financial institutions & short term investments in order to manage the risk, company accepts only high rated banks/institutions.

Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's finance department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

As part of the PPA with SAIL, since billing to the SAIL is generally on a monthly basis which covers operating cost, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	₹ in Lakhs	
	31.03.2018	31.03.2017
Fixed-rate borrowings		
Term loans	-	-
Cash Credit Facility	-	-
Floating-rate borrowings		
Term loans	8,000.00	5,000.00
Cash Credit Facility	5,218.80	9,399.94
Total	13,218.80	14,399.94

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 March 2018	Amount (₹ in Lakhs)			
	Less than 1 year	1 to 5 years	5 years & above	Total
Borrowings	13,218.80	-	-	13,218.80
Trade payables	4,335.13	-	-	4,335.13
Other financial liabilities	2,349.53	-	-	2,349.53

As at 31 March 2017	Amount (₹ in Lakhs)			
	Less than 1 year	1 to 5 years	5 years & above	Total
Borrowings	14,399.94	-	-	14,399.94
Trade payables	4,594.89	-	-	4,594.89
Other financial liabilities	2,253.55	-	-	2,253.55



55 Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Amount
(₹ in Lakhs)

Particulars	As at 31-03-2018	As at 31-03-2017
Total Debt	19903.46	19903.46
Equity	76850.62	71410.96
Capital and debt	96754.08	91314.41
Gearing ratio in percentage(%)	25.90%	27.87%



(i) Defined Contribution Plans:**A. Provident Fund**

The Company pays fixed contribution to provident fund at pre-determined rate, for its own employees to a separate trust namely Board of Trustee for Bokaro Steel Employees Provident Fund, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 294.86 lakhs made to the trust for the year 2017-18 (2016-17: ₹ 281.89 lakhs) is charged to the statement of Profit and Loss.

B. Pension

As per the Department of Public Enterprises (DPE)'s Guidelines, the Company is required to contribute 30% of salary (Basic Pay + Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post-Superannuation Benefits. To comply with the DPE's Guidelines relating to contribution to Superannuation Benefits within overall limit of 30% of salary of executive employees, the provision for pension benefit has been made @ 9% w.e.f. 1st January 2007. Further, as per agreement dated 1st July, 2014 between the Management and the Unions of non-executive employees, pension benefit for non-executives has been provided @ 6% of salary (Basic Pay + Dearness Allowance) w.e.f. 1st January, 2012.

The cumulative provision/liability towards pension benefit for executive (w.e.f. 1st January, 2007) & non-executive (w.e.f. 1st January, 2012) employees, amounting to ₹ 1376 Lakh (₹ 168 Lakh during the Year) and ₹ 103.15 lakhs (₹ 21 Lakh during the Year) respectively have been charged to 'Employee Benefits Expense' and 'Expenditure during Construction'.

(ii) DEFINED BENEFIT SCHEMES**1.1 General Description of Defined Benefit Schemes:****Gratuity :**

Payable on separation @15 days pay for each completed year of service upto 30 yrs & beyond that @ 30 days for each completed year of service to eligible employees who render continuous service of 5 years or more. Maximum amount of ceiling for executive is '10 lakhs & for non-executives no ceiling, has been considered for actuarial valuation.

Leave Encashment :

Payable on superannuation to eligible employees who have accumulated earned and half pay leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave is also allowed upto 30 days once in a financial year.

Post Retirement Medical Benefits :

Available to retired employees at company's hospitals and/or under the health insurance policy.

Post Retirement Settlement Benefits :

Payable to retiring employees for settlement at their home town.

Long term service Award :

Payable in kind on rendering minimum 25 years of service and also on superannuation.

Table 1

Disclosure of Defined Benefit Cost for the year ending 31st March 2018

Local Currency-INR

₹ in Lakhs

A	Profit & Loss (P&L)	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Current service cost	49.10	76.78	1.58	0.86	0.17
2.	Past service cost - plan amendments	395.58	0.00	0.00	0.00	0.00
3.	Curtailment cost / (credit)	0.00	0.00	0.00	0.00	0.00
4.	Settlement cost / (credit)	0.00	0.00	0.00	0.00	0.00
5.	Service cost	444.68	76.78	1.58	0.86	0.17
6.	Net interest on net defined benefit liability / (asset)	55.03	56.24	15.61	1.41	0.38
7.	Immediate recognition of (gains)/losses - other long term employee benefit plans	0.00	59.89	0.00	0.00	-0.33
		0.00	0.00	-	-	0.00
8.	Cost recognised in P&L	499.71	192.91	17.19	2.27	0.22
B	Other Comprehensive Income (OCI)	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Actuarial (gain)/loss due to DBO experience	138.38	77.49	72.77	-4.81	-0.17
2.	Actuarial (gain)/loss due to DBO assumption changes	-52.38	-17.60	-12.25	-0.40	-0.16
3.	Actuarial (gain)/loss arising during period	86.00	59.89	60.53	-5.21	-0.33
4.	Return on plan assets (greater)/less than discount rate	0.00	0.00	0.00	0.00	0.00
5.	Actuarial (gains)/ losses recognized in OCI	86.00	0.00	60.53	-5.21	0.00
6.	Adjustment for limit on net asset	0.00	0.00	0.00	0.00	0.00



C	Define Benefit Cost	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Service Cost	444.68	76.78	1.58	0.86	0.17
2.	Net Interest on net defined benefit liability/(assets)	55.03	56.24	15.61	1.41	0.38
3.	Actuarial (/losses recognised in OCI)	86.00	0.00	60.53	-5.21	0.00
4.	Immediate recognition of (gains)/losses-other long term employee benefit plan	0.00	59.89	0.00	0.00	-0.33
		0.00	0.00	0.00	0.00	0.00
5.	Defined Benefit Cost	585.71	192.91	77.72	-2.94	0.22

D	Assumption as at 1 April 2017	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Discount Rate	7.25%	7.25%	7.25%	7.25%	7.25%
2.	Rate of Salary Increase	6.25%	6.25%	5.00%	3.50%	3.50%

Disclosure of Defined Benefit Cost for the year ending 31st March 2017

Local Currency-INR

A	Profit & Loss (P&L)	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
						₹ in Lakhs
1.	Current service cost	31.45	22.57	3.89	1.32	0.08
2.	Past service cost - plan amendments	0.00	0.00	0.00	0.00	0.00
3.	Curtailment cost / (credit)	0.00	0.00	0.00	0.00	0.00
4.	Settlement cost / (credit)	0.00	0.00	0.00	0.00	0.00
5.	Service cost	31.45	22.57	3.89	1.32	0.08
6.	Net interest on net defined benefit liability / (asset)	66.74	86.40	14.94	1.31	0.40
7.	Immediate recognition of (gains)/losses - other long term employee benefit plans	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	-	-	0.00
8.	Cost recognised in P&L	98.20	108.98	18.83	2.63	0.49

B	Other Comprehensive Income (OCI)	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Actuarial (gain)/loss due to change in financial	36.48	0.00	14.39	2.50	0.36
2.	Actuarial (gain)/loss due to Unexpected Experience	-98.64	-398.92	-1.25	0.00	0.14
3.	Actuarial (gain)/loss arising during period	-62.16	-398.92	13.15	2.50	0.50
4.	Return on plan assets (greater)/less than discount rat	0.00	0.00	0.00	0.00	0.00
5.	Actuarial (gains)/ losses recognized in OCI	-62.16	0.00	13.15	0.00	0.00
6.	Adjustment for limit on net asset	0.00	0.00	0.00	0.00	0.00

C	Define Benefit Cost	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Service Cost	31.45	22.57	3.89	1.32	0.08
2.	Net Interest on net defined benefit liability/(assets)	66.74	86.40	14.94	1.31	0.40
3.	Actuarial (gains) /losses recognised in OCI	-62.16		13.15	2.50	0.50
4.	Actuarial Gain /losses		-398.92			
5.	Immediate recognition of (gains)/losses-other long term employee benefit plan	0.00		0.00	0.00	0.00
6.	Defined Benefit Cost	36.03	-289.95	31.97	5.13	0.99

D	Assumption as at 31st March 2017	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Discount Rate	7.25%	7.25%	7.25%	7.25%	7.25%
2.	Rate of Salary increase	6.25%	6.25%			
3.	Medical Escalation Rate/Inflation Rate			5.00%	3.50%	0.00%

Table 2

Net Balance Sheet position as at 31st March 2018

Local Currency-INR

A	Development of Net Balance Sheet Position	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
						₹ in Lakhs
1.	Define benefit obligation (DBO)	-1,257.38	-909.11	-278.67	-15.29	-4.84
2.	Fair value of plan assets (FVA)	0.00	0.00	0.00	0.00	0.00
3.	Funded status [surplus/(deficit)]	-1,257.38	-909.11	-278.67	-15.29	-4.84
4.	Effect of Assets ceiling	0.00	0.00	0.00	0.00	0.00
5.	Net defined benefit assets/ (liability)	-1,257.38	-909.11	-278.67	-15.29	-4.84



B	Reconciliation of Net Balance Sheet Position	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Net defined benefit asset/ (liability) at end of prior pe	-846.52	-835.17	-229.62	-20.75	-5.81
2.	Service cost	-444.68	-76.78	-1.58	-0.86	-0.17
3.	Net interest on net defined benefit (liability)/ asset	-55.03	-56.24	-15.61	-1.41	-0.38
4.	Amount Recognised in OCI	-86.00	-59.89	-60.53	5.21	0.33
5.	Employer contributions	0.00	0.00	0.00	0.00	0.00
6.	Benefit paid directly by the Company	174.85	118.97	28.67	2.51	1.19
7.	Acquisitions credit/ (cost)	0.00	0.00	0.00	0.00	0.00
8.	Divestitures	0.00	0.00	0.00	0.00	0.00
9.	Cost of termination benefits	0.00	0.00	0.00	0.00	0.00
10.	Net defined benefit asset/ (liability) at end of curr	-1,257.38	-909.11	-278.67	-15.29	-4.84

C	Assumptions as at 31 March 2018	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Discount Rate	7.60%	7.60%	7.60%	7.60%	7.60%
2.	Rate of Mediclaim inflation			5.00%	3.50%	3.50%
3.	Rate of salary increase	6.0 % with an additional 6.0% every ten years starting 2017	6.0 % with an additional 6.0% every ten years starting 2017			

Net Balance Sheet position as at 31 st March 2017
Local Currency-INR

A	Development of Net Balance Sheet Position	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Define benefit obligation (DBO)	-846.52	-835.17	-229.62	-20.75	-5.81
2.	Fair value of plan assets (FVA)	0.00	0.00	0.00	0.00	0.00
3.	Funded status [surplus/(deficit)]	-846.52	-835.17	-229.62	-20.75	-5.81
4.	Effect of Assets ceiling	0.00	0.00	0.00	0.00	0.00
5.	Net defined benefit assets/ (liability)	-846.52	-835.17	-229.62	-20.75	-5.81

B	Reconciliation of Net Balance Sheet Position	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Net defined benefit asset/ (liability) at end of prior pe	-1,030.65	-1,258.46	-226.20	-20.44	-6.31
2.	Service cost	-31.45	-22.57	-3.89	-1.32	-0.08
3.	Net interest on net defined benefit (liability)/ asset	-66.74	-86.40	-14.94	-1.31	-0.40
4.	Amount Recognised in OCI	62.16	398.92	-13.15	-2.50	-0.50
5.	Employer contributions	0.00	0.00	0.00	0.00	0.00
6.	Benefit paid directly by the Company	220.16	133.34	28.55	4.82	1.49
7.	Acquisitions credit/ (cost)	0.00	0.00	0.00	0.00	0.00
8.	Divestitures	0.00	0.00	0.00	0.00	0.00
9.	Cost of termination benefits	0.00	0.00	0.00	0.00	0.00
10.	Net defined benefit asset/ (liability) at end of curr	-846.52	-835.17	-229.62	-20.75	-5.81

C	Assumptions as at 31 March 2018	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Discount Rate	7.25%	7.25%	7.25%	7.25%	7.25%
2.	Rate of Mediclaim inflation /inflation			5.00%	3.50%	3.50%
3.	Rate of salary increase	6.0 % with an additional 6.0% every ten years starting 2017	6.0 % with an additional 6.0% every ten years starting 2017			

TABLE 3

Changes in Benefit Obligations and Assets over the Year ending 31 st March 2018
Local Currency-INR

A	Change in Defined Benefit Obligation (DBO)	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	DBO at end of prior period	846.52	835.17	229.62	20.75	5.81
2.	Current service cost	49.10	76.78	1.58	0.86	0.17
3.	Interest cost on the DBO	55.03	56.24	15.61	1.41	0.38
4.	Curtailment (credit)/ cost	0.00	0.00	0.00	0.00	0.00
5.	Settlement (credit)/ cost	0.00	0.00	0.00	0.00	0.00
6.	Past service cost - plan amendments	395.58	0.00	0.00	0.00	0.00
7.	Acquisitions (credit)/ cost	0.00	0.00	0.00	0.00	0.00
8.	Actuarial (gain)/loss - experience	138.38	77.49	72.77	-4.81	-0.17
9.	Actuarial (gain)/loss - demographic assumptions	0.00	0.00	0.00	0.00	0.00
10.	Actuarial (gain)/loss - financial assumptions	-52.38	-17.60	-12.25	-0.40	-0.16
11.	Benefits paid directly by the Company	-174.85	-118.97	-28.67	-2.51	-1.19
12.	Benefits paid from plan assets	0.00	0.00	0.00	0.00	0.00
13.	DBO at end of current period	1,257.38	909.11	278.67	15.29	4.84



B	Change in Fair Value of Assets	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Fair value of assets at end of prior period	0.00	0.00	0.00	0.00	0.00
2.	Acquisition adjustment	0.00	0.00	0.00	0.00	0.00
3.	Interest income on plan assets	0.00	0.00	0.00	0.00	0.00
4.	Employer contributions	0.00	0.00	0.00	0.00	0.00
5.	Return on plan assets greater/(lesser) than discount rate	0.00	0.00	0.00	0.00	0.00
6.	Benefits paid	0.00	0.00	0.00	0.00	0.00
7.	Fair Value of assets at the end of current period	0.00	0.00	0.00	0.00	0.00

TABLE 4

Additional Disclosure Information
Local Currency-INR

A	Expected benefit payments for the year ending	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	March 31, 2019	114.82	49.96	29.94	1.48	0.50
2.	March 31, 2020	205.24	116.53	31.44	2.80	0.69
3.	March 31, 2021	187.29	116.25	33.01	2.56	0.57
4.	March 31, 2022	125.21	77.76	34.66	1.78	0.39
5.	March 31, 2023	92.66	55.31	36.39	1.26	0.26
6.	March 31, 2024 to March 31, 2028	438.27	394.82	211.15	6.03	1.31
7.	Beyond Ten Years	3,576.27	7,946.13	0.00	0.00	0.00
B	Expected employer contributions for the period ending 31 March 2019	1,257.38	Not Applicable	Not Applicable	Not Applicable	Not Applicable
C	Weighted average duration of defined benefit obligation	8 years	12 years	13 years	7 years	10 years
D	Accrued Benefit Obligation at 31 March 2018	1,257.38	1257.38	1257.38	1257.38	1257.38
E	Plan Asset Information as at 31 March 2018	Gratuity Percentage	Leave Salary Percentage	PRMB Percentage	Settlement Cost Percentage	LTSA & RG Percentage
	Government of India Securities (Central and State)	N/A	N/A	N/A	N/A	N/A
	High quality corporate bonds (including Public Sector Bonds)	N/A	N/A	N/A	N/A	N/A
	Equity shares of listed companies	N/A	N/A	N/A	N/A	N/A
	Property	N/A	N/A	N/A	N/A	N/A
	Cash (including Special Deposits)	N/A	N/A	N/A	N/A	N/A
	Schemes of insurance - conventional products	N/A	N/A	N/A	N/A	N/A
	Schemes of insurance - ULIP products	N/A	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A	N/A
	Total	N/A	N/A	N/A	N/A	N/A

Note: This report provides basic information in relation to plan assets. Additional input may be required by the Company in relation to the plan asset disclosures specified in paragraphs 142, 143 of Ind AS 19

A	Expected benefit payments for the year ending	Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
1.	Current Liability	-110.69	-48.16	-28.86	-1.43	-0.48
2.	Non Current Assets/(Liability)	-1,146.69	-860.95	-249.81	-13.86	-4.36
3.	Net Asset/(Liability) as at 31 March 2018	-1,257.38	-909.11	-278.67	-15.29	-4.84



TABLE 5

		<u>Sensitivity Analysis</u> Local Currency-INR				
		Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
DBO on base assumptions as at 31 March 2018		1,257.38	909.11	278.67	15.29	4.84
These assumptions are summarised in Appendix C of the report						
A Discount rate		Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
Discount Rate as at 31 march 2018		7.60%	7.60%	7.60%	7.60%	7.60%
1.	Effect on DBO due to 1% Increase in Discount Rate <i>Percentage Impact</i>	-94.69 -7.50%	-96.14 -10.60%	-30.80 -11.10%	-1.02 -6.70%	-0.42 -8.60%
2.	Effect on DBO due to 1% decrease in Discount Rate <i>Percentage Impact</i>	113.53 9.00%	117.85 13.00%	37.37 13.40%	1.21 7.90%	0.49 10.20%
B Salary Escalation Rate		Gratuity	Leave Salary	PRMB	Settlement Cost	LTSA & RG
Discount Rate as at 31 march 2018		6% with an additional 6.0% every ten years starting 2017		5.00%	3.50%	3.50%
1.	Effect on DBO due to 1% increase in Salary Escalation <i>Percentage Impact</i>	56.59 4.50%	127.49 14.00%	37.86 13.60%	1.25 8.20%	0.50 10.40%
2.	Effect on DBO due to 1% decrease in Salary Escalation <i>Percentage Impact</i>	(65.82) -5.20%	(104.10) -11.50%	(31.68) -11.40%	(1.06) -6.90%	(0.43) -8.80%

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

Assumptions

The actuarial assumptions (demographic & financial) employed for the calculations as at 1 April 2017 and 31 March 2018 are as follows

Financial Assumptions	01-Apr-17	31-Mar-18
	Discount Rate	7.25%
Salary Escalation	6.25%	6% with an additional 6.0% every ten years starting 2017
Withdrawal rate	1.00%	1.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)(modified) Ult	Indian Assured Lives Mortality (2006-08)(modified) Ult

The assumptions as at 1 april 2017 are as certified by the previous actuary.

Age	Rates	Age	Rates
20	0.000888	45	0.002874
25	0.000984	50	0.004946
30	0.001056	55	0.007888
35	0.001282	60	0.011534
40	0.001803	65	0.017009

Notes:

The effects of Morbidity and withdrawal have been factored by constructing a Multiple Decrement Table taking into account the above Mortality table.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as:

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions
- Changes in plan provisions or applicable law.
- significant event since last actuarial valuation

(b) Reconciliation of Fair Value of Assets and Obligations

Fixed deposit of Rs. 2444.54/-Lakhs (Prev. Yr. Rs. 2344.56 Lakhs) earmarked for Gratuity and Leave Salary are not used by the company for operational purpose. During the Financial Year 2016-17 interest accrued on this Fixed Deposit was Rs. 99.98 Lakhs after deduction of TDS adjusted against cost of power and steam.



57 Disclosure as per IND AS 24 on "RELATED PARTY DISCLOSURES"

As per Indian Accounting Standards (Ind AS) - 24 - issued by the Ministry of Corporate Affairs, the names of the related parties, excluding Government controlled enterprises, are given below: -

A. Related Party

Nature of Relationship	Joint Venture
Promoter	1. STEEL AUTHORITY OF INDIA LIMITED (50% share)
Promoter	2. DAMODAR VALLEY CORPORATION (50% shares)
Joint Venture of SAIL (Promoter)	3. MJUNCTION

Nature of Relationship : Key Management Personnel

Name	Position	From	To
Pulak Datta	Chairman	27.12.2016	Till Date
Sushil Kumar Singh	Director	17.02.2016	Till Date
Tej Veer Singh	Director	30.03.2013	Till Date
Ramaswami krishnaswamy	Director	24.08.2016	Till Date
Pramod Kumar	Director	20.01.2017	09.12.2017
B N Sah	Director	09.12.2017	Till Date
C. B. Dey	Director	15.02.2008	Till Date
K. Harinarayana	Chief Executive Officer	01.05.2016	Till Date
N. K. Mukhopadhyay	Company Secretary	29.07.2004	Till Date

Entities under the control of the same government:

The Company is a 50:50 Joint Venture of SAIL, a govt. company and DVC, a corporation established under Act of Parliament. As per Paragraph 25 & 26 of Ind AS 24, limited disclosures are required to be made in the Ind AS financial statements. In accordance with Para 11 of Ind AS 24, such government entities with which the Company has significant transactions are regarded as related parties.

B. Details of transactions between the Company and the Related Parties

Sl. No.	Particulars	Promoters	
		(\\$ in Lakh)	
		2017-18	2016-17
i)	Sale of Steam and Power to SAIL	87583.79	86539.15
ii)	Purchase from SAIL/Bokaro Steel Plant		
	Purchase of Coal	16319.98	8993.33
	Purchase of water	1999.36	1778.92
	Welfare Expenses	68.99	72.49
	Stores and spares	622.96	628.98
	Others	77.735	183.05
iii)	Rental Income	4148.69	1618.51
iv)	Dividend Paid -		
	Steel Authority of India Limited	1,240.25	1,023.21
	Damodar Valley Corporation	1,240.25	1,023.21
v)	M-JUNCTION	23.28	28.92

Transactions with the related parties under the control of the same government

Name of the Company	Nature of transaction	2017-18
		(\\$ in Lakh)
INDIAN OIL CORPORATION LIMITED	PURCHASE- Furnace Oil & Lube	5,922.51
HSCL	SERVICE	744.27
BHARAT COKING COAL LTD	Purchase of Coal	22,592.86
CENTRAL COALFIELDS LIMITED	Purchase of Coal	35,625.21
EASTERN RAILWAYS	SERVICE	1,762.12
SOUTH EASTERN RAILWAYS	SERVICE	1,262.10
NDDB	PURCHASE & Services	31.87



Outstanding balances with related parties are as follows:

(₹ in Lakh)

Amount Recoverable	AS AT 31 March 2018	
	2017-18	2016-17
INDIAN OIL CORPORATION LIMITED	128.40	
BHARAT COKING COAL LTD	2,793.44	
CENTRAL COALFIELDS LIMITED	4,181.82	
EC RAILWAY	8.36	
HINDUSTAN PETROLIUM	(40.95)	
HSCL	0.05	

* Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

Transactions with key management personnel

Compensation to key managerial personnel

(₹ in Lakh)

Position	2017-18	2016-17
Chief Executive Officer	24.18	23.65
Company Secretary	29.02	27.02

Loans & Advances Outstanding at year end

(₹ in Lakh)

Position	2017-18	2016-17
Company Secretary	1.00	4.00

Actuarial Liability of KMP as on 31st March 2018 in BPSCL

(₹ in Lakh)

Particulars	Chief Executive Officer	Company Secretary
Gratuity	-	13.05
Leave Salary	-	15.99
Post Retirement Medical & Settlement Benefits	-	0.36
Settlement Benefit	-	0.21
Long Term service Award	-	0.05

Actuarial Liability of KMP as on 31st March 2017 in BPSCL

(₹ in Lakh)

Particulars	Chief Executive Officer	Company Secretary
Gratuity	-	9.72
Leave Salary	-	15.36
Post Retirement Medical & Settlement Benefits	-	0.32
Settlement Benefit	-	0.20
Long Term service Award	-	0.04



58 Disclosure as per IND AS 17 on "Lease"

- A Reconciliation between the total gross investment in the lease at the balance sheet date, and the present value of minimum lease payments receivable at the balance sheet date.

Particulars	₹ in Lakhs	
	2017-18	2016-17
Gross investment in lease	54,628.63	54,316.61
less: Unearned Finance Income	(2,807.64)	605.44
Present value of minimum lease payment receivable	57,436.27	53,711.17

Particulars	Gross Investment in lease (PV)	present value of minimum lease payments receivable (₹ in Lakh)
i) not later than one year	1722.67	2065.06
ii) later than one year and not later than five year	9836.75	9001.54
iii) later than five years;	43069.22	43250.01

B	₹ in Lakhs	
	Unearned finance income:	2,807.64
The unguaranteed residual values accruing to the benefit of the lessor:	NA	
The accumulated provision for uncollectible minimum lease payments receivable:	NIL	
Contingent rents recognised in the statement of profit and loss for the period:	NIL	

Brief description of the arrangement:

SAIL has assigned its entire business as a going concern pertaining to the captive power plant of 302 MW Capacity with steam generation 1880 T/hr to BPSCL on 18/09/2001. The company has entered into a power purchase agreement with SAIL on 18.09.2001 further amended & extended time to time. According to the agreement entire production of the BPSCL (i.e. power and steam) will be procured by the SAIL. As this agreement comes under the preview of Appendix C of IND AS 17, above mentioned disclosures are provided with.

Tenure of PPA -The Validity of PPA as on 31st March 2017 is upto 28th November 2031 with Commitment of SAIL to buy power upto 28th November 2031

Renewal clause of PPA -The PPA will be renewed or replaced by another Agreement on such terms and conditions and for such further period as the parties may mutually agree.

59 CONTINGENT LIABILITIES (to the extent not provided for)

- (a) Claims against the Company not acknowledged as debt

a.1	Claims against the Company pending appellate/judicial decisions :	₹ in Lakhs		
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	a) Sales tax matters			
	Financial Year 2017-18	88.51		
	Financial Year 2012-13	0.00	-	429.25
	Financial Year 2010-11	0.00	-	264.09
	Financial Year 2009-10	0.00	Nil	86.04
	Financial Year 2008-09	0.00	Nil	65.01
	b) Income Tax			
	Assessment Year 2012-13	21.74	21.74	21.74
	Assessment Year 2011-12	129.96	129.96	129.96
	Assessment Year 2010-11	41.53	41.53	41.53
	c) SERVICE TAX (2014-15) - Against appeal has been Filed	6.18	2.11	
	d) EMPLOYEES STATE INSURANCE	61.03	61.03	61.03

DCST has blocked Rs 241 Lakhs out of the ITC transferred to GST regime through tran-1.

- a.2 Claims against the Company by M/s Ramakant Singh of Rs.1125.00 Lakhs includes interest Rs.631 Lakhs. BPSCL has raised claim of Rs. 663 Lakhs on M/s Ramakant Singh vide Risk Purchase Clause for violating terms of contract. M/s Ramakant Singh lodged counter claim of Rs. 4.94 crore plus interest @18% p.a. Previously dispute was referred to the High court and judgement was given in our favour. Now arbitration is in process.
- a.3 Legal Case filed by Jharkhand Krantikari Mazdoor Union for demand of AWA Payment to contract Labours. Approx Liability is around Rs. 4 Crore.



a.4 Following are the extra claims raised by different Contractors of Unit # 9 project due to delay in completion of the project which BPSCL has not recognised as debt:

Sl.	Package Name - Contractor	Amount (₹ in lakhs)
1	BTG Package - ALSTOM India Ltd.	11940.35
2	Electrical Package - SIEMENS Ltd.	503.6
3	Auxiliary Cooling Water Package - Kirloskar Brothers Ltd.	301.71
4	Ash Handling Package - Macawber Breekay Pvt. Ltd.	480.12
5	Coal Handling Plant Package - Bengal Tools Ltd.	527.92
6	Fire Fighting Package - New Fire Engineers Pvt. Ltd.	126.66
7	DM Plant Package - ION Exchange (India) Ltd.	190.29
Total:		14070.65

(b) Guarantees: Nil

(c) Other money for which the company is contingently liable: Nil

60 Capital and other commitments

(a) Estimated amount of contracts remaining to be executed and not provided for are:

Particulars	31-Mar-18	31-Mar-17	31-Mar-16
Capital commitments (for property plant and equipment's and investment properties)-for 9 th BOILER	₹ 136.14 (Lakhs)	₹ 136.14 (Lakhs)	₹ 173.03 (Lakhs)
Capital commitments (for 2X250)	₹ 2916.36 (Lakh)	₹ 2916.36 (Lakh)	₹ 2916.36 (Lakh)
Capital commitments (for Other Capital Projects)	584.45	₹ 271.42	₹ NIL
Revenue commitments	₹ NIL	₹ NIL	₹ NIL

(b) Uncalled liability on shares and other investments partly paid: Nil

61 Information in respect of micro and small enterprises as at 31 March 2018 as required by Micro, Small and Medium Enterprises Development Act, 2006

As per requirement of section 22 of the Micro Small, Medium Enterprises Development Act 2006 the company has normally made payments in the due time and there are no claims from parties for the interest on overdue payments during the financial year 2017-18

62 Trade Receivables and Recoverable balances

Balances of Trade Receivables and Recoverable shown under 'Current Assets' and Trade and Other Payables shown under 'Current Liabilities', include balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made.

63 STATEMENT OF PROFIT & LOSS

a SALE OF STEAM & POWER (₹ in Lakh)
(Includes interest on Lease receivable)

	2017-18	2016-17
	91198.33	87486.56

b Procurement of Coal/ Oil

Particulars	2017-18		2016-17	
	Qty.(MT)	Amount (₹ in lakh)	Qty.(MT)	Amount (₹ in lakh)
Coal (BPSCL)	1293892.00	50580.43	1577036.98	54445.96
Coal (BSL)	420580.00	16111.90	250493.89	8852.78
	2017-18		2016-17	
	Qty.(KL)	Amount (₹ in lakh)	Qty.(KL)	Amount (₹ in lakh)
Furnace Oil (BPSCL)	11423.01	3146.68	5696.61	1507.33



c The long-term agreement for wage revision expired on 31st December, 2016. Pending finalisation of fresh agreement w.e.f. 1st January 2017, provision of ₹ 207.87 Lakh towards salaries and wages revision, has been made on estimated basis.

Value of stores/spares consumed	2017-18		2016-17	
	(₹ in Lakh)	(%)	(₹ in Lakh)	(%)
Particulars				
Indigenous	2362.02		2284.71	
Imported	413.16		191.28	
Percentage of indigenous items		85.11		92.27
Percentage of Imported items		14.89		7.73
TOTAL		100.00		100.00

Value of Imports during period (Calculated on CIF Basis)	2017-18		2016-17	
	(₹ in Lakh)		(₹ in Lakh)	
Particulars				
Components & spare parts	879.60		286.05	
Raw materials	NIL		NIL	
Capital Goods	NIL		NIL	
TOTAL	879.60		286.05	

f As per section 135 of the companies Act, 2013 effective from 1st April'2014 the company is required to spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in accordance with its CSR policy. the amount of two percent of average net profits of previous three years ending 31st march 2017 comes out to Rs. 133 lakh for the FY 2017-18. The company has spent an amount of Rs. 133.43 lakh on CSR during the year which is included in other expenses as detailed below.

Following are the details of CSR activities during the Year under the following heads:

Particulars	(₹ in Lakh)
Drinking Water	5.07
Education	2.09
Healthcare	41.77
Sanitation	27.43
Malnutrition	31.87
Environment Sustainability	25.19
Total	133.43

64 GENERAL

a Segment Reporting

i) The company's principal Business is generation of Power & Steam and sale of bulk Power and Steam to SAIL. Hence there is no other business segment.

ii) The company has only one power station located within the country and therefore geographical segments are not applicable.

65 Licensed Capacity, Installed capacity, generation

	2017-18	2016-17
i) Licensed Capacity	Not applicable	Not applicable
ii) Installed capacity	338 MW/H	338 MW/H
iii) Generation of power	1366.69 MU	1697.47 MU
iv) Sales of power	1080.50 MU	1379.70 MU

66 Expenditure incurred in foreign currency	2017-18	2017-18	2016-17	2016-17
Foreign Travel Expenses	\$ 450	₹ 0.59	Nil	Nil

67 Particulars of Directors remuneration : NIL



68 Payment to auditors comprises of:		(₹ in Lakh)	
Statutory Auditors :	2017-18	2016-17	
Audit Fees	1.15	0.81	
Tax Audit Fees	0.23	0.23	
Out of pocket expenses	0.25	0.25	
TOTAL	1.63	1.29	

69 Disclosure as per IND AS 33 on "Earnings per share "

Particulars	2017-18	2016-17
Profit after tax, prior period adjustment & tax adjust as per Statement of Profit & Loss A/cs (Rs. in Lakhs) (a)	8308.01	7853.66
No. Of Equity share of Rs. 10 each outstanding (b)	2480,50,000.00	2480,50,000.00
Effect of potential Equity Shares on Advance for shares outstanding (C)	0.00	0.00
Weighted average number of equity shares in computing diluted earnings per share (b+c)=(d)	2480,50,000.00	2480,50,000.00
Earnings per share:		
Basic [(a)/(b)] (In ₹)	3.35	3.17
Diluted[(a)/(d)] (In ₹)	3.35	3.17

70 Disclosure as per Indian Accounting Standard - 12 on 'Income taxes'

FOR THE PERIOD ENDED	31.03.2018	₹ in Lakhs 31.03.2017
(A) Income Tax Expense		
i) Income tax recognised in statement of profit and loss		
Current tax expense		
Current year	1,400.10	1,448.00
Adjustment for prior periods (Written Back)/ Created	117.69	-
	<u>1,517.79</u>	<u>1,448.00</u>
Deferred tax expense		
Origination and reversal of temporary differences	(152.35)	209.10
MAT Credit Entitlement	(1,400.10)	(1,448.00)
Reduction in tax rate	-	-
	<u>(1,552.45)</u>	<u>(1,238.90)</u>
Total Income tax recognised in statement of profit and loss	<u>(34.67)</u>	<u>209.10</u>



ii) Income tax recognised in other comprehensive income

₹ in Lakhs

FOR THE PERIOD ENDED

	31.03.2018			31.03.2017		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
- Net actuarial gains/(losses) on defined benefit plans	(141.31)	(30.16)	(111.15)	49.02	10.46	38.56
- Net gains/(losses) on fair value of equity instruments measured through other comprehensive income	-	-	-	-	-	-
	(141.31)	(30.16)	(111.15)	49.02	10.46	38.56

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

FOR THE PERIOD ENDED

₹ in Lakhs

	31.03.2018	31.03.2017
Profit before tax	8,273.33	8,062.76
Tax using the Company's domestic tax rate of 21.34% (31 March 2017 - 21.34%)	1,678.02	1,720.72
Tax effect of:		
Non-deductible tax expenses		
Others	277.93	272.72
Prior Period	117.69	-
Deferred Tax (Asset)/Liability	(152.35)	209.10
MAT Credit Entitlement	(1,400.10)	(1,448.00)
	(34.67)	209.10
At the effective income tax rate of .03% % (31 March 2017: 2.59%)	-0.42%	2.59%

(B) MAT Credit available to the Company in future:

₹ in Lakhs

AS AT	31.03.2018	Expiry date	31.03.2017	Expiry date
Financial years				
For the year 2017-18	1,407.10	31.03.2033		
For the year 2016-17	1,441.00	31.03.2032	1,441.00	31.03.2032
For the year 2015-16	1,484.49	31.03.2031	1,484.49	31.03.2031
For the year 2014-15	1,242.18	31.03.2030	1,242.18	31.03.2030

The company has opted for Section 80IA benefit from financial year 2014-15. As a result of the said benefit, the entire taxable profit generated is exempted from payment of Income Tax and Company is liable to compute & pay its taxes under MAT provisions for the financial year 2017-18.

(₹ in Lakh)

Deferred Tax Assets included in the Balance Sheet comprises of

Deferred Tax Assets :

Gratuity

Leave Salary

Post Retirement Medical & Settlement Benefits

Settlement Benefit

Long Term service Award

Deferred Tax Assets :

	2017-18	2016-17
Gratuity	435.15	292.96
Leave Salary	314.62	289.04
Post Retirement Medical & Settlement Benefits	96.44	79.47
Settlement Benefit	5.29	7.18
Long Term service Award	1.67	2.01
Deferred Tax Assets :	853.18	670.66

71 50 % & 70% provision is made on stores and spares belonging to BPSCL which have not been moved since last 5 years & 10 years respectively.

72 Since the inception of power plant, ash from ash pond has been excavated and stacked around the ash pond, which has been given rise to mounds over a vast area. These heaps of ash which have been resulted for more than 35 years have developed vegetation over them and no pollution is caused by these ashes. Still there are some mounds of ash which are causing environmental pollution as no greenery has developed in these part. It has been planned to cover these mounds with clay, so that these ash do not get eroded and cause air pollution. For claying of these existing non-greenery ash heaps, expected expenditure of Rs. 15 lakh have been provided in the accounts.

73 Land measuring 382 acres (approx.) at Bokaro, Jharkhand state is on 33 years lease from SAIL renewable at a non refundable premium of Rs. 1 per annum. Title/Lease deeds in respect of this land are pending for registration. In addition, 836 acres (Approx.) land was given to BPSCL as 'right to use' for use in 2x250 MW Projects.



74 Disclosure as per IND AS 37 on "Provisions"

(₹ in Lakh)

Nature of Provisions	Provision for others	
	17-18	16-17
a. The carrying amount at the beginning of the year	348.04	344.28
b. Additional provisions made in the period, including increases to existing provisions	0.00	3.76
c. Amounts used (i.e., incurred and charged against the provision) during the period	28.34	0.00
d. Unused amounts reversed during the period	0.00	0.00
e. The carrying amount at the end of the year	319.70	348.04

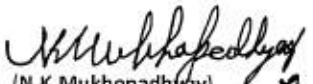
It includes provisions for FBT, Ash Pond, Doubtful Advance and Non-moving stock, which is expected not to be utilized within next 1 year.

75 In the opinion of the Management, the realizable value of the current assets, loan and advances shall not be less than the values at which these are stated in the account.

76 Expenditure on account of the shared facilities, services and consumption of stores/ spares/ consumables etc. with respect to taken over plants of SAIL have been booked as per the advice of SAIL, in accordance with Shared Services and Support Agreement entered into by the Company with SAIL.

77 The Board of Directors, in its meeting on 08.08.2018 have proposed a total dividend of Rs 24,80,50,000/- to the equity shareholders for the financial year ended March 31, 2018. The proposal is subject to the approval of shareholders at the Annual General Meeting.

78 Figures for the previous years have been regrouped and rearranged wherever necessary


 (N.K. Mukhopadhyay)
 Company Secretary & HOD
 Finance & Accounts


 (K. Harinarayana)
 Chief Executive Officer

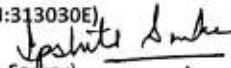

 (C.B. Dey)
 Director


 (Tej Veer Singh)
 Director


 (B. Datta)
 Chairman



As per our report of even date
For L R SARKAR & CO.
Chartered Accountants

(FRN:313030E)

 (I. Sarkar)
 Partner

Membership No.063451

Place : Kolkata
Date : 09.08.2018



प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा एवं पदेन् सदस्य, लेखा
परीक्षा बोर्ड का कार्यालय, मेकन भवन, राँची - 834 002

OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD
MECON BUILDING, RANCHI-834 002

PH. - 2480343, 2480392, 2482212, 2482184
Fax No. - 0651-2480285



सं० मुख्यालय-1/वार्षिक लेखा/13PSC1/605/2017-18/ 377

दिनांक: 19.09.2018

सेवा में,

अध्यक्ष

बोकारो पॉवर सप्लाय कम्पनी (प्र.) लिमिटेड
डी.भी.सी. टावर, 7^थ तल्ला,
कोलकता-700054

विषय: 31 मार्च 2018 को समाप्त वर्ष के लिए बोकारो पॉवर सप्लाय कम्पनी (प्र.) लिमिटेड के वार्षिक वित्तीय विवरणी
(Annual Financial Statements) पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के तहत भारत के
नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ
महोदय,

इस पत्र के साथ बोकारो पॉवर सप्लाय कम्पनी (प्र.) लिमिटेड के वर्ष 31 मार्च 2018 को समाप्त वार्षिक वित्तीय
विवरणी (Annual Financial Statements) पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के तहत भारत के
नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ संलग्न हैं।

इस पत्र की पावनी की अभिम्बिकृति वांछित है।

भवदीय,

अनुलग्नक: यथोपरि

६-३ ३१२२१८

(डगु अग्रवाल)

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
राँची

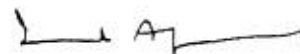
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF BOKARO POWER SUPPLY COMPANY (P) LIMITED FOR THE
YEAR ENDED 31 MARCH 2018**

The preparation of financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 09 August 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bokaro Power Supply Company (P) Limited for the year ended 31 March 2018 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143 (6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India



(Indu Agrawal)

Principal Director of Commercial Audit &
Ex-officio Member, Audit Board, Ranchi.

Place: Ranchi
Date: 19 September 2018

Annexure IV

Reply to the Statutory Auditors observation

2 x 250 MW Thermal Power Stations at Bokaro Steel City.

Your company initiated 2x250 MW Greenfield Thermal Power Plant Project in the year 2006-07 at an estimated cost of Rs. 3091 Crore. The cost of the Project to be financed 70% through loan and 30% through equity, which is to be equally contributed by the promoters SAIL and DVC. Most of the preliminary activities, such as Feasibility report, Detailed Project Report, Environmental Impact Study, Topographical survey and Geo Technical Investigations had been completed. However, due to fierce resistance from villagers inhabiting the surrounding areas, the work of construction of boundary wall around the earmarked site could not be started and the project came to a standstill since 2009. The frequent interventions by the District Administration could not yield any solution to the problem and the project could not progress further.

In view of the above, as more than 10 years time has elapsed since promoters had approved this project, the company has sought the opinion of BPSCL promoter companies, SAIL &DVC, in respect of continuation of this project in the present business scenario pending the same the project considered as alive.